

COMPANY REGISTRATION NUMBER: 02020348

COMPANIES HOUSE
19 JAN 2023
EDINBURGH MAILBOX

Whitespace Software Limited
Annual Report and Unaudited Financial Statements
For the period ending
31 December 2021



Whitespace Software Limited

Accounts

Period from 2 March 2021 to 31 December 2021

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	3
Directors' responsibility statement	4
Profit and loss statement	5
Balance sheet	6
Change in equity	7
Notes to the accounts	8

Whitespace Software Limited
Officers and Professional Advisers

The board of directors	C N R Atkin	
	M J Broome	
	A J Clarke	
	A F Sedcole	
	S G Newnes-Smith	
	T Rayner	(Appointed on 2 March 2021)
	I C Summers	(Resigned on 26 April 2022)
	A G Galli	(Appointed on 4 August 2022)
Company secretary	S G Newnes-Smith	
Registered office	26th Floor 22 Bishopsgate, Bishopsgate, London, United Kingdom, EC2N 4BQ	

Whitespace Software Limited

Strategic Report

Period from 2 March 2021 to 31 December 2021

Principal activities and business review

The directors present their strategic report for Whitespace Software Limited ("the Company") for the period ending 31 December 2021.

The principal activity of the Company in the period under review is to provide digital placing technology to the insurance market.

Principal Risk and uncertainties

The Company continuously monitors the business and markets in which it operates, in order to act accordingly when uncertainties and risk arise. The main financial risks faced by the company and the way these risks are managed are detailed below.

Credit Risk

The Company considers the credit risk associated with its trade accounts receivable to be commercially reasonable and believes that such concentration does not result in the significant risk of near term severe adverse impacts.

Liquidity Risk

The Company monitors cash flow and working capital requirements on a daily basis, therefore, mitigating liquidity risks as much as possible. There is currently no requirement for additional funding facilities and the Company was cash positive at the year end. Through the support of the Verisk group, no additional liquidity risks arise as part of the internal restructuring review.

Foreign Currency Risk

The Company's exposure to credit risk, interest rate risk and cash flow risk is within reasonable limits and these exposures are not hedged. There are no further material risks in which the company believes that external hedging is required or mitigating action is needed at present.

Other risks

The Company continues to monitor risk associated with climate change, the on-going war in Ukraine and resulting energy cost crisis. Management do not believe the Company has any greater exposure to these risks compared to the wider economy.

Performance Monitoring

The Company believes its ability to generate recurring revenues is a key indicator of a successful execution of its business strategy. The company uses year over year revenue growth plus EBITDA margin as metrics to measure its performance.

Future developments

The Company has evaluated subsequent events through to the date these financial statements were approved and has not identified any significant subsequent events that require consideration as an adjustment.

DocuSigned by:



S G Newnes-Smith - Director

Date: 18 January 2023

Whitespace Software Limited

Directors Report

Period from 2 March 2021 to 31 December 2021

The directors present their report and the unaudited accounts of the Company for the period ended 31 December 2021.

Directors

The directors who served the company during the period were as follows:

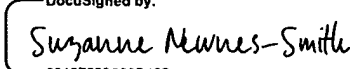
C N R Atkin
M J Broome
A J Clarke
A F Sedcole
S G Newnes-Smith
T Rayner
I C Summers (Resigned on 26 April 2022)

Third party indemnity provision for directors

There is a third party indemnity provision in place for the benefit of all directors of the company

Approved by the Board and signed on its behalf by:

This report was approved by the board of directors on 18 January 2023 and signed on behalf of the board by:

DocuSigned by:

93107699620B463...
S G Newnes-Smith
Director

Whitespace Software Limited

Directors Responsibility Statement

Period from 2 March 2021 to 31 December 2021

The directors are responsible for preparing the Strategic Report and 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 including FRS 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 and 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 judgements and accounting estimates that are reasonable and prudent;
- have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Whitespace Software Limited

Profit and Loss Account

Period from 2 March 2021 to 31 December 2021

	Note	Period from 2 Mar 21 to 31 Dec 21 £	Period from 1 Apr 20 to 1 Mar 21 £
Turnover	2	4,505,299	3,357,282
Administrative expenses		(2,695,520)	(3,966,487)
Operating profit/(loss)	3	1,809,779	(609,205)
Income from shares in group undertakings	6	—	—
Other interest receivable and similar income		161	88
Profit/(loss) before taxation		1,809,940	(609,117)
Tax on profit/(loss)	7	(59,873)	564,119
Profit/(loss) for the financial period and total comprehensive income		<u>1,750,067</u>	<u>(44,998)</u>

All the activities of the company are from continuing operations.

The Company has no other recognised items of income and expenses other than the results for the period as set out above.

The notes on pages 8 to 15 form part of these financial statements

Whitespace Software Limited

Balance Sheet

31 December 2021

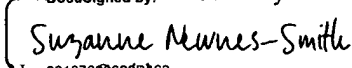
	Note	31 Dec 21 £	1 Mar 21 £
Fixed assets			
Tangible assets	8	83,445	39,878
Intangible assets	9	1,749,310	-
Current assets			
Debtors	10	3,893,803	1,364,549
Cash at bank and in hand		2,222,375	961,785
		<u>6,116,178</u>	<u>2,326,334</u>
Creditors: amounts falling due within one year	11	4,403,760	1,799,160
Provisions: amounts falling due within one year		<u>77,116</u>	<u>-</u>
Net current assets		<u>1,635,302</u>	<u>527,174</u>
Total assets less current liabilities		<u>3,468,057</u>	<u>567,052</u>
Net assets		<u>3,468,057</u>	<u>567,052</u>
Capital and reserves			
Called up share capital	12	1,330	1,096
Share premium account		1,460,823	310,119
Capital redemption reserve		100	100
Reserve for own shares		-	-
Other reserves		58,573	58,573
Profit and loss account		<u>1,947,231</u>	<u>197,164</u>
Shareholders funds		<u>3,468,057</u>	<u>567,052</u>

The accompanying notes form an integral part of these financial statements.

For the period ended 31 December 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to qualifying subsidiaries. No member of the Company has deposited a notice, pursuant to section 476, requiring an audit of those financial statements under the requirement of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring the Company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the Company.

These accounts were approved by the board of directors and authorised for issue on 18 January 2023, and are signed on behalf of the board by:


S G Newnes-Smith
Director

Company registration number: 02020348

The notes on pages 8 to 15 form part of these financial statements

Whitespace Software Limited

Statement of Changes in Equity

31 December 2021

	Called-up Share Capital	Share Premium Account	Capital Redemption Reserve	Reserve for own shares	Other reserves	Profit and Loss Account	Total
	£	£	£	£	£	£	£
At 31 December 2020	859	39,350	100	(12,000)	74,772	242,162	345,243
Issuance of shares	237	270,769	-	12,000	(16,199)	-	266,807
Loss for the period	-	-	-	-	-	(44,998)	(44,998)
At 1 March 2021	1,096	310,119	100	-	58,573	197,164	567,052
Issuance of shares	234	1,150,704	-	-	-	-	1,150,938
Profit/ (loss) for the year	-	-	-	-	-	1,750,067	1,750,067
At 31 December 2021	1,330	1,460,823	100	-	58,573	1,997,231	3,468,057

The notes on pages 8 to 15 form part of these financial statements

Whitespace Software Limited

Notes to the Accounts

Period from 2 March 2021 to 31 December 2021

1. General information

The Company is a private company limited by shares, registered in England and Wales. The address of the registered office is 26th Floor 22 Bishopsgate, Bishopsgate, London, United Kingdom, EC2N 4BQ.

2. Accounting policies

Basis of preparing the financial statements

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is Sterling. All amounts in the financial statements have been rounded to the nearest Sterling.

The Company's immediate parent undertaking, Verisk Specialty Business Solutions Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Verisk Specialty Business Solutions Limited are prepared in accordance with FRS 102. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Share based payments;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Verisk Specialty Business Solutions Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Whitespace Software Limited employee benefit trust

The Company's accounts include the Whitespace Software Limited Employee Benefit Trust ('the EBT'). The directors consider that the company has control of the shares held by the EBT and bears their benefits and risks. Shares held by the EBT are shown as 'Investment in own shares'. The cost of the shares less expected proceeds is amortised on a straight line basis over the period from grant of the earliest outstanding share option awards to their unconditional vesting date. Administration expenses are charged to the profit and loss account as they accrue. Any excess or shortfall of proceeds over cost arising within the EBT on the issue of company's shares to employees who are exercising share options is credited or debited to Other Reserve and in the period they amounted to £nil (1 March 21 - £4,000).

Whitespace Software Limited

Notes to the Accounts *(continued)*

Period from 2 March 2021 to 31 December 2021

2. Accounting policies (continued)

Research and development

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

Revenue recognition

Turnover represents the invoiceable amount of goods sold and services provided, stated net of Value Added Tax and includes the value of work done under long-term contracts. Certain of the Company's maintenance contracts are paid in advance, and the unexpired proportion of the total is included in creditors.

Turnover on long-term contracts is recognised according to the stage reached in the contract by reference to the value of work done. A prudent estimate of the profit attributable to work completed is recognised once the outcome of the contract can be assessed with reasonable certainty.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Whitespace Software Limited

Notes to the Accounts *(continued)*

Period from 2 March 2021 to 31 December 2021

2. Accounting policies *(continued)*

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are

translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Improvements	- Over the Life of the lease (monthly basis)
Computer Equipment	- 3 years (straight line basis)
Fixtures, Fittings & Equipment	- 3 – 10 years (straight line basis)
Office Equipment	- 3 – 10 years (straight line basis)
Developed Software	- 3 years (straight line basis)

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost

Whitespace Software Limited

Notes to the Accounts *(continued)*

Period from 2 March 2021 to 31 December 2021

2. Accounting policies (continued)

Significant Judgements and Estimates

In determining the carrying amounts of certain assets and liabilities, the Company makes assumptions of the effects of uncertain future events on those assets and liabilities at the Company's Statement of Financial Position date. The Company estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically.

Capitalised Development Costs

Management have reviewed the capitalisation of development costs for the current year, post acquisition of the Company by Verisk Speciality Solutions Ltd. In prior periods the Company did not capitalise development costs as not all capitalisation criteria were met, management are satisfied that all capitalisation criteria have now been met, and it is appropriate to capitalise development costs.

3. Turnover

The turnover and loss before tax are attributable to the one principal activity of the Group.

	Period from 2 Mar 21 to 31 Dec 21 £	Period from 1 Apr 20 to 1 Mar 21 £
Rendering of Services	4,352,569	3,357,282
Services provided to Group Companies	151,730	-
	<u>4,505,299</u>	<u>3,357,282</u>

4. Employee numbers

The average number of persons employed by the company during the year amounted to 62 (2020: 46).

5. Operating profit

Operating profit or loss is stated after charging:

	Period from 2 Mar 21 to 31 Dec 21 £	Period from 1 Apr 20 to 1 Mar 21 £
Depreciation of tangible assets	18,185	23,645
Foreign exchange differences	4,114	3,482
Operating lease payments	<u>152,033</u>	<u>-</u>

6. Income from shares in group undertakings

	Period from 2 Mar 21 to 31 Dec 21 £	Period from 1 Apr 20 to 1 Mar 21 £
Income from shares in group undertakings	<u>-</u>	<u>-</u>

Whitespace Software Limited

Notes to the Accounts *(continued)*

Period from 2 March 2021 to 31 December 2021

7. Taxation on ordinary activities

	Period ended 31 Dec 2021 £	Period ended 1 Mar 21 £
Current tax		
UK corporation tax on profits for the period	59,873	564,119
Adjustment in respect of previous periods	-	-
Foreign tax relief/other relief	-	-
	<u>59,873</u>	<u>564,119</u>
Foreign tax suffered	-	-
Total current tax	<u>59,873</u>	<u>564,119</u>
Deferred tax		
Origination and reversal of timing differences	-	-
Adjustment in respect of previous periods	-	-
Effect of changes in tax rates	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Total tax per profit and loss account	<u>59,873</u>	<u>564,119</u>
The charge for the year can be reconciled to the profit per the profit and loss account as follows:		
Profit/(loss) for the period	<u>1,809,940</u>	<u>609,205</u>
Tax on profit at standard UK tax rate of 19% (2020: 19%)	343,888	115,749
Effects of:		
Expenses not deductible	104	-
Effects of group relief/other reliefs	-	(53,678)
Difference in deferred tax rate 17% to 19%	-	-
Movement in deferred tax not recognised	(284,119)	-
Adjustment from previous periods	-	-
Foreign taxes	-	-
R&D Tax credits surrendered	-	502,048
Tax charge for the period	<u>59,873</u>	<u>564,119</u>

The Finance Bill 2016 enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. However, in the March 2020 Budget it was announced that the reduction in the UK rate to 17% will now not occur and the Corporation Tax Rate will be held at 19%. The UK Government has since announced that the UK corporate tax rate will be increased to 25% effective 1st April 2023. As the increase in tax rate has not been enacted all deferred tax balances as at 31 December 2021 continue to be measured at a rate of 19%. There are no current or deferred tax amount disclosed within the accounts in relation to items recognised in other comprehensive income.

Whitespace Software Limited

Notes to the Accounts *(continued)*

Period from 2 March 2021 to 31 December 2021

8. Tangible assets

	Computers £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 2 March 2021	99,378	27,593	18,461	145,432
Additions	61,752	–	–	61,752
At 31 December 2021	<u>161,130</u>	<u>27,593</u>	<u>18,461</u>	<u>207,184</u>
Depreciation				
At 2 March 2021	64,146	27,593	13,815	105,554
Charge for the period	15,901	1,736	548	18,185
At 31 December 2021	<u>80,047</u>	<u>29,329</u>	<u>14,363</u>	<u>123,739</u>
Carrying amount				
At 31 December 2021	<u>81,083</u>	<u>(1,736)</u>	<u>4,098</u>	<u>83,445</u>
At 2 March 2021	<u>35,232</u>	<u>–</u>	<u>4,646</u>	<u>39,878</u>

9. Intangible assets

	Development Costs £	Total £
Cost		
At 2 March 2021	–	–
Additions	1,749,310	1,749,310
At 31 December 2021	<u>1,749,310</u>	<u>1,749,310</u>
Depreciation		
At 2 March 2021	–	–
Charge for the period	–	–
At 31 December 2021	<u>–</u>	<u>–</u>
Carrying amount		
At 31 December 2021	<u>1,749,310</u>	<u>1,749,310</u>
At 2 March 2021	–	–

10. Debtors

	31 Dec 21 £	1 Mar 21 £
Trade debtors	863,286	618,324
Amounts owed by group undertakings	2,739,321	113,013
Other debtors	291,196	633,212
	<u>3,893,803</u>	<u>1,364,549</u>

Amounts owed by group undertakings are repayable on demand and do not bear interest.

Whitespace Software Limited

Notes to the Accounts *(continued)*

Period from 2 March 2021 to 31 December 2021

11. Creditors

	31 Dec 21	1 Mar 21
	£	£
Trade creditors	23,857	77,972
Social security and other taxes	289,393	249,458
Other creditors	1,626,915	1,471,730
Amounts owed to group undertakings	2,463,595	-
	<u>4,406,249</u>	<u>1,799,160</u>

Amounts owed to group undertakings are repayable on demand and do not bear interest.

12. Called up share capital

Issued, called up and fully paid

	31 Dec 21		1 Mar 21	
	No.	£	No.	£
Ordinary A shares of £0.01 each	108,047	1,080	84,572	846
Ordinary B shares of £0.01 each	25,000	250	25,000	250
	<u>133,047</u>	<u>1,330</u>	<u>109,572</u>	<u>1,096</u>

13. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company.

Reserve for own shares - This reserve records the value paid for shares held in treasury by the Employee Benefit Trust.

Other reserves - This reserve records the excess of proceeds over cost arising from the issue of shares within the Employee Benefit Trust.

Profit and loss account - This reserve records retained earnings and accumulated losses.

14. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	31 Dec 21	1 Mar 21
	£	£
Later than 1 year and not later than 5 years	<u>58,955</u>	<u>170,063</u>

Whitespace Software Limited

Notes to the Accounts *(continued)*

Period from 2 March 2021 to 31 December 2021

15. Controlling party

The immediate parent company is Verisk Specialty Business Solutions Limited. The smallest group into which the company's results are consolidated Verisk Specialty Business Solutions Limited. Copies of the consolidated financial statements can be obtained from Companies House.

Verisk Analytics Inc, headquartered in Jersey City, New Jersey, United States, is the ultimate parent company and the largest group into which the results are consolidated. Verisk Analytics Inc, which trades on the Nasdaq Global Select Market under the ticker symbol "VRSK". Its consolidated financial statement, which include Whitespace Software Limited, are made publicly available.