All IPO Plc

ANNUAL REPORT AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Registered Number: 03230460 (England and Wales)

ALL IPO Plc

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ALL IPO Plc

DIRECTORS, OFFICERS AND ADVISERS

Directors

Michael Hodges (Chairman)
Christopher Newland (Chief Operating Officer)

Secretary

Michael Hodges

Registered Office

Suite 28, Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA

Independent Auditor

MHA MacIntyre Hudson LLP, 2 London Wall Place, London, EC2Y 5AU

Company number: 03230460

The directors present the Strategic Report for All IPO Plc (the "Company") for the year ended 30 June 2022.

Principal activities

The principal activities during the year ended 30 June 2022 of the Company were the development and exploitation of Regulatory Technology (RegTech), Corporate Broking, Retail Stock Broking services and the provision of software support.

Future developments

The Company is continuing research and development into RegTech and is also exploring potential products and services in the blockchain space.

Results

During the year ended 30 June 2022 the focus of activity has been on the development of RegTech.

The loss for the year ended 30 June 2022 was £329,000 (2021: £120,000). Turnover has increased slightly from £230,000 in the year ended 30 June 2021 to £240,000 in the year ended 30 June 2022. However, operating profit decreased from £110,000 in the year ended 30 June 2021 to an operating loss of £33,000 in the year ended 30 June 2022. This decrease is due to a decrease in the staff costs capitalised and also to the write off of irrecoverable debt.

The directors do not recommend the payment of a dividend for the year ended 30 June 2022 (2021: £nil).

Key Performance Indicators for the financial year to 30 June 2022

The key performance indicators of the Company are the profit before tax, available cash flow to fund RegTech and the progress of the development of RegTech and the ability to take the technology developed to market.

The Directors considered that the profitability and cash flows of the Company are sufficient to allow the Company the requisite time to develop the RegTech and take it to market development. The RegTech has been developed in line with anticipated timelines it is now in the testing stage.

Effort was put into an application to enter the Financial Conduct Authority's "Regulatory Sandbox" and while this application was ultimately rejected, the work put into the application has helped to consolidate our plans for our RegTech software business.

Regulatory Capital

The Company is required by the rules of the FCA to make certain public disclosures. This information will be available on www.allipo.com

Principal risks and uncertainties

The Company continues to monitor the effect that the United Kingdom leaving the EU ("Brexit") will have on the rules and regulations to which it is subject and how this may affect our corporate clients and their access to capital markets.

COVID-19 has caused many problems around the world. The UK has been very badly affected in terms of the number of people that have sadly died and the shutdown of most of the economy for part of the year. We acknowledge that the COVID-19 outbreak has posed significant challenges to business activities and to the economic and financial system, both at European and at international level. We, as directors, are constantly monitoring the situation and the impact on the Company's business. To date the Company has not been significantly impacted by COVID-19.

This report was approved by the Board and signed on its behalf by:

Christopher Newland
Director
24 October 2022

The directors present their report and the audited financial statements of All IPO Plc (the "Company") for the year ended 30 June 2022.

Directors

The directors who held office during the year ended 30 June 2022 and up to the date of approval of this report were:

Michael Hodges
Christopher Newland
Clement Chambers (Resigned 23 February 2022)

Research and development

Research and development is carried out to develop Reg-Tech software products that will be available to subscribers. Expenditure during the year ended 30 June 2022 on research and development was £40,000 (2021: £92,000) all of which has been capitalised.

Principal risks and uncertainties

The Company's other principal risks are financial risk, liquidity risk and credit risk

Financial risk

The Company uses financial instruments, comprising cash balances, trade debtors and trade creditors that arise directly from its operations, to fund the Company's operations. Details of these financial instruments can be found in notes 10 and 11 to the financial statements.

There were no undrawn committed overdraft facilities or borrowings at 30 June 2022 or 30 June 2021.

Liquidity risk

Liquidity risk is the risk that the Company will have insufficient funds to meet its liabilities as they fall due. The directors monitor cash flow on a daily basis and at monthly board meetings in the context of their expectations for the business, to ensure sufficient liquidity is available to meet foreseeable needs.

Credit risk

Credit risk is the risk that the Company will not be reimbursed for amounts that it is owed. The Company's exposure to credit risk arises from its cash balances and receivables. Cash balances are held at a highly rated banking institution based in the UK. The significant receivables at the date of the Statement of financial position are due from related parties. The directors seek prompt payment of the amounts owed to the Company to mitigate the risk.

The Company is subject to market risks (price, interest and foreign exchange risks), regulatory risk, legal risk and operational risk. The Directors consider that these risks do not have a significant impact on the Company.

For example, in relation to interest rate risk, the Company finances its operations through cash reserves and the cash reserves held by the Company during the year have negated the need to use interest bearing borrowings. The majority of the cash balances, including any funds held on behalf of clients, are periodically placed on deposit at a fixed rate of interest. Should money be held for clients, the client does not have the right to interest. The benchmark rate for determining interest receipts is the prevailing rate available on the market.

Going concern

The Directors have undertaken an assessment of the impact of COVID-19 on the ability of the Company to continue as a going concern for the next 12 months from the date of approval of these financial statements.

The Directors consider that the Company will be able to maintain sufficient income levels and receive sufficient financial support from its parent company, ADVFN Plc, so that the Company can cover its costs and pay its liabilities for the next 12 months from the date of approval of these financial statements.

All Directors and employees have the ability to work from home with full remote access functionality hence the Directors consider that the Company has, and can, maintain full operational capabilities.

The Directors have assessed the going concern status of the Company and concluded that there are no material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Accordingly, the financial statements are prepared on the going concern basis.

Disclosure of information to the auditor

The Directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor

In accordance with section 489(4) of the Companies Act 2006, a resolution proposing the reappointment of MHA MacIntyre Hudson will be put to the members at the forthcoming Annual General Meeting.

Directors' statement of responsibilities under section 172 Companies Act 2006

The Director has considered the requirements of Section 172(1) of the Companies Act 2006 to prepare a statement explaining how the Directors have considered the wider stakeholder needs when performing their duties under Section 172 of the Companies Act 2006.

The Directors consider the stakeholders to be the people who work for us, work with us, invest with us, own us, regulate us and live in the societies we serve. The Directors recognise that building strong relationships with our stakeholders will help deliver the Company's strategy in line with the long-term values. The Directors are committed to effective engagement with all of our stakeholders and seek to understand the interests and views of the Company's stakeholders by engaging with them directly as appropriate.

Depending on the nature of the issue in question, the relevance of each stakeholder group may differ and, as such, as part of Company's engagement with stakeholders, the Directors seeks to understand the relative interests and priorities of each group and to have regard to these, as appropriate, in their decision making. The Directors acknowledge, however, that not every decision it makes will necessarily result in a positive outcome for all stakeholders. The directors also challenge management to ensure all stakeholder interests are considered in the day to day management and operations of the Company.

As part of their deliberations and decision making process, the Directors take into account the following:

- the likely consequences of any decisions in the long term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct; and
- need to act fairly as between members of the company.

As a result of these activities, the Directors believe that they have demonstrated compliance with their legal obligations under s.172 of the Companies Act 2006

Business

The Directors' aim for the Group be and remain a contributing and good "Corporate Citizen".

Our business does not have a high carbon footprint and we consider it a sustainable business. We try to ensure that our planet's precious resources are used appropriately for the benefit of current and future generations. The Board considers that the business and strategic decisions which it takes now, in furtherance of the Group's business objectives, do not damage the global environment.

Employees

The Group has a small number of employees but those it has are situated and are deployed on the Group's business around the World. We ensure that we comply with all local labour laws and apply what the Directors believe are appropriate standards and systems to monitor and to ensure the welfare of those employees.

Directors' statement of responsibilities under section 172 Companies Act 2006 (continued)

Stakeholder engagement
The Company is entirely owned and controlled by its parent, ADVFN Plc and the shares of the company are not currently traded on the Alternative Investment Market. The stakeholders of the Company consist predominantly of employees, advisers and suppliers. The Directors recognise the importance of these relationships and take active steps to develop and strengthen them through dialogue and engagement. These relationships are regularly monitored at Board level.

Governance
Each Board meeting addresses compliance by the Company with its corporate governance codes and reinforces the Board's requirement that its business be conducted with integrity and with due regard for ethical standards.

By order of the Board

Michael Hodges
Chairman and Director
24 October 2022

ALL IPO plc

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 101 Reduced Disclosure Framework (FRS 101). 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;
- state whether applicable accounting standards 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.

ON BEHALF OF THE BOARD

Michael Hodges
Chairman and Director
24 October 2022

Independent auditor's report to the members of All IPO Plc

Opinion
We have audited the financial statements of All IPO Plc (the "Company") for the year ended 30 June 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity, the Statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2022, and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; including Financial Reporting Standard 101 "Reduced Disclosure Framework and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

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

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

Other information
The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our 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 and 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditor's report to the members of All IPO Plc (continued)

Responsibilities of the Directors

As explained more fully in the statement of Directors' responsibilities set out on page 6, 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 each Director determines 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- enquiry of management, those charged with govemance, around actual and potential litigation and claims;
- enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- reviewing minutes of meetings of those charged with governance;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David King

David King, Senior Statutory Auditor
For and on behalf of:
MHA MacIntyre Hudson
Chartered Accountants and Statutory Auditors
London, United Kingdom
24 October 2022

ALL IPO Plc

Statement of comprehensive income
For the year ended 30 June 2022

	Note	2022 £'000	2021 £'000
Turnover	4	240	230
Cost of sales		(28)	(21)
Gross profit		**212**	**209**
Amortisation of intangible assets	10	(33)	(29)
Other administrative expenses	5	(212)	(70)
Intangible asset impairment	6	(296)	-
Total administrative expenses		(541)	(99)
Operating profit		**(329)**	**110**
Finance charge		-	(1)
Profit before tax	7	**(329)**	**109**
Taxation	9	-	11
Profit and total comprehensive income for the year attributable to shareholders of the parent		**(329)**	**120**

All amounts are in respect of continuing activities.

There were no items of other comprehensive income for the current or prior year other than those included in the Statement of comprehensive income shown above.

The accompanying accounting policies and notes on pages 14-23 form an integral part of these financial statements.

ALL IPO Plc

Statement of financial position
As at 30 June 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	9	106	395
		106	395
Current assets			
Debtors	10	272	382
Cash at bank and in hand		201	109
		473	491
Total assets		**579**	**886**
Capital and reserves			
Called up share capital	11	1,164	1,164
Share premium account		3,145	3,145
Merger reserve		3,600	3,600
Retained earnings		(7,390)	(7,061)
Total Shareholders' funds		**519**	**848**
Creditors: amounts falling due within one year	12	60	38
Total capital and reserves and creditors		**579**	**886**

The financial statements on pages 11 to 13 were authorised for issue by the Board of Directors on **24 October 2022** and were signed on its behalf by:

Michael Hodges
Chairman

Company number: 03230460

The accompanying accounting policies and notes on pages 14-23 form an integral part of these financial statements.

ALL IPO Plc

Statement of changes in equity

	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained earnings £'000	Total equity £'000
At 30 June 2020	**1,164**	**3,145**	**3,600**	**(7,181)**	**728**
Comprehensive income for the year					
Profit for the year after tax	-	-	-	120	120
Total comprehensive income for the year	-	-	-	120	120
At 30 June 2021	**1,164**	**3,145**	**3,600**	**(7,061)**	**848**
Comprehensive income for the year					
Profit for the year after tax	-	-	-	(329)	(329)
Total comprehensive income for the year	-	-	-	(329)	(329)
At 30 June 2022	**1,164**	**3,145**	**3,600**	**(7,390)**	**519**

The accompanying accounting policies and notes on pages 14-23 form an integral part of these financial statements.

ALL IPO Plc

Notes to the financial statements

1. General information

All IPO Plc is a public limited company incorporated and domiciled in England and Wales.

The address of the Company's registered office is Suite 28, Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA.

2. Summary of significant accounting policies

Basis of preparation
These financial statements were prepared under the going concern basis, in accordance with the historical cost convention, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework and the Companies Act 2006.

In summary those disclosure exemptions adopted are:

- The requirements of IFRS 7 Financial Instruments: Disclosures, as equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated
- the disclosure exemptions from IFRS 13 Fair Value Measurement, to the extent that they apply to financial instruments
- The requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1 (share capital);
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- The requirements of paragraphs 10(d) and 111 (Statement of cash flows), 134 to 136 (managing capital), and 16 (statement of compliance with IFRS) of IAS 1 Presentation of Financial Statements.
- The requirements of IAS 7 Statement of Cash Flows.
- The requirements of paragraph 17 of IAS 24 Related Party Disclosures.
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets, provided that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contacts with Customers.

The parent of the group is ADVFN Plc. ADVFN Plc produce consolidated financial statements within which All IPO Plc are consolidated. Copies of these accounts are available from the Company's registered office at Suite 28, Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA or from Companies House, Crown Way, Cardiff, CF14 3UZ.

www.companieshouse.gov.uk

and from the ADVFN plc website:

www.ADVFN.com

Going concern

The Directors have undertaken an assessment of the impact of COVID-19 on the ability of the Company to continue as a going concern for the next 12 months from the date of approval of these financial statements.

The Directors consider that the Company will be able maintain sufficient income levels and receive sufficient financial support from its parent company, ADVFN Plc, so that the Company can cover its costs and pay its liabilities for the next 12 months from the date of approval of these financial statements.

All Directors and employees have the ability to work from home with full remote access functionality hence the Directors consider that the Company has, and can, maintain full operational capabilities.

The Directors have assessed the going concern status of the Company and concluded that there are no material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Accordingly, the financial statements are prepared on the going concern basis.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

New Standards and amendments to existing standards adopted in these financial statements

There are no new standards that impact the Company's financial statements for the year ended 30 June 2022.

Income recognition

Revenue from contracts with customers is measured at the transaction price being the amount of consideration that the Company expects to be entitled to in exchange for transferring promised services to the customer. The transaction price is net of discounts and excludes amounts collected on behalf of third parties, sales taxes and VAT.
The Company applies the five-stage model to its contracts for revenue with customers and performs the following analysis for each transaction:

1. Identify the contract
2. Identify the performance obligations
3. Identify the consideration
4. Allocate the consideration to each performance obligation
5. Recognise revenue as or when each performance obligation is satisfied.

The Company derives revenue from providing Corporate Broking services, Retail Broking services, licensing software and the provision of software support.

Revenues from Corporate Broking come from an annual retention payment from ADVFN Plc to the Company for the provision of services to ADVFN Plc in accordance with the agreement between the Company and ADVFN Plc.

Revenues from Retail Stock Broking services are recognised on the execution of a trade that the Company has placed with its Model B partner in accordance with the contract between the Company and the Model B partner.

Revenues arising from licensing software to ADVFN Plc are recognised on a straight line basis over the period of the license agreement.

Revenue arising from the provision of software support to ADVFN Plc are recognised in accordance with the agreement between ADVFN Plc and the Company on a monthly basis until the contract is terminated by either party having given 3 months notice.

Expense recognition

Expenses are reported on an accruals basis. Operating expenses are recognised in the Statement of comprehensive income upon utilisation of the service or at the date of their origin.

Summary of significant accounting policies (continued)

Intangible assets
- Internally generated intangible assets
An internally generated intangible asset (website and/or software application) arising from the development (or the development phase) of an internal project is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- the intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangibles not yet in use are subject to annual impairment testing and are amortised once in use.

Internally generated intangible assets are amortised over five years.

Research expenditure is recognised as an expense in the period in which it is incurred.

Impairment of non-financial assets
For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. As a result some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units that include those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount of the asset or cash-generating unit. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. The cash flow evaluations are a result of the director's estimation of future sales and expenses based on their past experience and the current market activity within the business. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Pensions
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 the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

Summary of significant accounting policies (continued)

Financial assets
The Company's financial assets consist of trade and receivables that are categorised as being debt instruments measured at transaction price, which is considered to be the fair value, and subsequent recognition at amortised cost under the effective interest method, where business model is to hold receivables for collection of cash. Trade and other receivables are measured initially at transaction price and thereafter at the amount of cash or other consideration expected to be received less any impairment. Any impairment loss is recognised in the Statement of comprehensive income.

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Financial assets are derecognised when contractual rights to the cash flow from the financial asset expires or is settled or when substantially all the risk and rewards of ownership have been transferred.

Impairment of financial assets
Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables.

Financial liabilities
The Company's financial liabilities include trade and other payables, measured at amortised cost. These are initially recognised at transaction price, which is considered to be the fair value, and subsequent recognition at amortised cost under the effective interest method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

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

Income taxes
Current income tax assets and liabilities comprise those obligations to fiscal authorities in the countries in which the Company carries out its operations. They are calculated on the excess of taxable income over allowable expenses according to the tax rates and tax laws applicable to the fiscal period and the country to which they relate. All changes to current tax liabilities are recognised as a component of tax expense in the Statement of comprehensive income unless the tax relates to an item taken directly to equity in which case the tax is also taken directly to equity. Tax relating to items recognised in other comprehensive income is recognised in other comprehensive income.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets such as those resulting from assessing deferred tax on the expense of share based payments, are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the date of the Statement of financial position.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Equity
Issued capital
Ordinary shares are classified as equity. The nominal value of shares is included in issued capital.

Share premium
The share premium account represents the excess over nominal value of the fair value of consideration received for equity shares, net of the expenses of the share issue.

Merger reserve
The merger reserve results from the shares issued on the acquisition of Equity Holdings Limited, in the year ended 30 June 2005. The Merger reserve is the excess over the nominal value of the fair value of consideration received for equity shares when shares are issued on the acquisition of 90% or more of the equity shares of another entity.

Retained earnings
The retained earnings include all current and prior period results for the Company as determined by the Statement of comprehensive income.

Foreign currency translation
The functional and presentation currency is Pounds Sterling ("Sterling"), being the currency of the primary economic environment in which the Company operates.

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the reporting date. Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of comprehensive income.

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

The amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements.

Critical judgement in applying the entities accounting policies
During the year, the Company was required to apply critical judgements as to the impairment of intangible assets and on the recoverability of receivables.

Information about judgements and estimates is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies
Capitalisation of development costs in accordance with IAS 38 requires analysis of the technical feasibility and commercial viability of the project in the future. This in turn requires a long term judgement to be made about the development of the industry in which the development will be marketed (Note 8). Where the directors consider that sufficient evidence exists surrounding the technical feasibility and commercial viability of the project, which indicates that the costs incurred will be recovered, they are capitalised within intangible fixed assets. Where insufficient evidence exists, the costs are expensed to the Statement of comprehensive income.

Sources of estimation uncertainty
Determining whether intangible assets are impaired requires an estimation of the value in use of the cash generating unit to which the intangible assets have been allocated. This value in use calculation requires an estimation of the future cash flows expected to arise from the cash generating units and a suitable discount rate in order to calculate a suitable present value.

Also, determining whether financial assets have been impaired requires application of the lifetime expected credit losses methodology, whereby the probability of the non-payment of the trade receivables is assessed, which is multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables

4. Turnover

Turnover is attributable to the principal activities of the Company and originated wholly in the United Kingdom to customers and clients based in the United Kingdom

5. Expenses by nature

	2022 '£'000	2022 £'000	2021 £'000	2021 £'000
Commission expenses		27		21
Regulatory costs		22		20
Legal and professional fees		22		16
Insurance costs		-		5
Staff costs	122		120	
Less: staff cost capitalised	(40)		(93)	
		82		27
Impairment of receivables		83		-
Other expenses		3		2
		212		70
Amortisation		33		29
		245		99

6. Loss/(profit) before tax

Loss/profit before tax has been arrived at after charging:	2022 £'000	2021 £'000
Amortisation of intangible assets	33	29
Employee costs (Note 7)	122	125
Audit and other services:		
Fees payable to the company's auditor for the audit of the Company's annual financial statements	12	10
Other services pursuant to legislation	-	2

ADVFN plc is a related party of the Company as it is the Company's parent and controlling entity. During the years ended 30 June 2022 and 30 June 2021 the Company's tax compliance fees were borne by ADVFN Plc.

Notes to the financial statements (continued)

7. Employees

	2022 £'000	2021 £'000
Employee costs (including directors):		
Wages and salaries	110	108
Social security costs	10	15
Pension costs	2	2
	122	125

During the year ended 30 June 202 £40,000 of staff costs were capitalised (2021: £93,000) as this expenditure relates to the development of software.

The average number of employees during the year ended 30 June 2022 was as follows:

	2022 No.	2021 No.
Development	1	1
Sales and Administration	1	1
	2	2

Remuneration in respect of directors during the year ended 30 June 2022 was as follows:

	2022 £'000	2021 £'000
Wages and Salaries	87	83
Pension contributions	1	1
	88	**84**

Remuneration in respect of the highest paid director during the year ended 30 June 2021 was as follows:

	2022 £'000	2021 £'000
Aggregate emoluments	87	83

ALL IPO Plc

Notes to the financial statements (continued)

8. Taxation

	2022 £'000	2021 £'000
Current Tax:		
UK corporation tax on loss / profit for the year		
Research and Development tax credits	-	(11)
Total current taxation	-	(11)
Deferred tax	--	-
Taxation charge		(11)

The tax assessed for the year is different from the standard rate of corporation tax of 19% (2021:19%) as applied in the respective trading domains where the Company operates. The differences are explained below:

	2022 £'000	2021 £'000
Profit before tax	(329)	111
Profit before tax multiplied by the respective standard rate of corporation tax applicable in the UK (19.00%) (2021: 19.00%)	(63)	21
Effects of:		
Additional deduction for Research and Development expenditure	-	(40)
Depreciation and amortisation excess of capital allowances/(Capital allowances in excess of depreciation and amortisation)	-	5
Expenses no deductible for tax purposes	79	-
Tax losses to be surrendered as Research and Development tax credits	-	14
Tax losses utilised against trading profits	(16)	-
Research and Development tax credits	-	(11)
Tax credit for the year	-	(11)

The Company has unused trading losses of approximately £1,379,000 (2021: £1,463,000) to carry forward against profits of the same trade which will be recovered once the Company makes profits. Tax losses for the year ended 30 June 2022 of £nil (2021: £75,000 have been surrendered for R&D tax credits (2021: at a rate of 14%). The unused trading losses represent a deferred tax asset of £345,000 as at 30 June 2022 (2021: £278,000) at 25% (2021: 19%) which has not been recognised due to the uncertainty over its recoverability.

The Company has a deferred tax liability of £26,000 (2021: £75,000), calculated at 25% as at 30 June 2022 (2021: 19%) in relation to accelerated capital allowances, which has not been recognised as it will be offset in future periods against the unrecognised deferred tax asset in relation to unused trading losses.

9. Intangible assets

	Website development £'000	Software £'000	Total £'000
Cost			
At 1 July 2021	4,228	477	4,705
Additions	-	40	40
Impairment	-	(296)	(296)
At 30 June 2022	4,228	221	4,449
Amortisation			
As 1 July 2021	4,228	82	4,310
Charge for the year	-	33	33
At 30 June 2022	4,228	115	4,343
Net book value			
At 30 June 2022	-	106	106
At 1 July 2021,	-	395	395

Impairment testing
Intangible assets recognised by the Company have been subjected to an impairment review as described below.

The recoverable amount for the cash generating unit (CGU) was determined using a value in use calculation based upon management forecasts for the trading results for the two years ending 30 June 2023 extended to 30 June 2025 without growth in the extended period. A discount rate of 10% has been used and the key assumptions utilised within the forecast model relates to the level of future sales, which have been estimated based upon the director's expectations, current trading and recent actual trading performance.

As part of the review, one asset was identified to be impaired by £296,000. The impairment was considered necessary as changes in the predicted future sales resulted in no expected revenue from this asset.

10. Debtors

	2022 £'000	2021 £'000
Prepayments and accrued income	12	12
Due from broker	11	-
Corporation tax	-	11
Amounts owed by Group undertakings	249	359
	272	382

Amounts due by Group undertakings are interest free and repayable on demand.

The Company endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored.

During the year ended 30 June 2022, Directors assessed that £83,000 of receivables have been impaired (2021: £nil). This impairment has been included in the Statement of Comprehensive Income.

11. Called up share capital

	Shares	£'000
At 1 July 2021		
Ordinary shares of 1p each	71,716,017	717
Deferred shares of 49p each	911,500	447
	72,627,517	1,164
At 30 June 2022		
Ordinary shares of 1p each	71,716,017	717
Deferred shares of 49p each	911,500	447
	72,627,517	1,164

The Deferred Shares do not entitle the holders thereof to receive any dividend or other distribution nor to receive notice of or to attend or vote at any General Meeting of the Company. On a return of capital on a winding up the holders of Deferred Shares are only entitled to receive the amount paid up on such shares after the holders of the Ordinary Shares have received the sum of £100,000 for each Ordinary Share held by them and shall have no other right to participate in the assets of the Company.

12. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade payables	29	4
Social security and other taxes	9	10
Accrued expenses and deferred income	12	14
Amounts owed to Group undertakings	10	10
	60	38

Amounts due to Group undertakings are interest free and repayable on demand.

13. Immediate and ultimate controlling party

The Company's immediate parent undertaking is ADVFN plc, a company registered in England and Wales, which owns 100% of the issued share capital of the Company. The consolidated financial statements of ADVFN plc, within which the Company is included, can be obtained from the Company's registered office.

ADVFN plc's shares are listed on the Alternative Investment Market and hence the Company's ultimate controlling party comprises individuals and companies holding ADVFN plc's shares.