Factiva Limited

Annual Report and Financial Statements

for the year ended 3 July 2022

Registered number: 3773253

FACTIVA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 3 JULY 2022

Company Registration Number:	3773253
Registered Office:	7th Floor The News Building 1 London Bridge Street London SE1 9GF
Directors:	Eric Mandrackie Christopher Power
Company Secretary:	Keysha Zalika McNeil
Bankers:	JPMorgan Chase Bank, N.A. 25 Bank Street London E14 5JP
Auditor:	Ernst & Young LLP 1 More London Place London SE1 2AF

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FACTIVA LIMITED
Registered Number 3773253

STRATEGIC REPORT

FOR THE YEAR ENDED 3 JULY 2022

The directors present their Strategic Report for the 53 week period ended 3 July 2022 ("the year") (2021: 52 week period ended 27 June 2021).

Principal activities

The principal activities of the Company are to provide world-class global news and business information through its websites and content integration solutions to corporate and professional markets. This is provided through a suite of products and services under the Factiva name.

Factiva products and services are supported by a content set that includes Dow Jones Newswires, The Wall Street Journal, key newspapers and newswires from all over the world, global business and trade publications, targeted industry and regional publications, key websites and the most-important business blogs, as well as market data and company profiles.

The Company's mission is to collect news and information, to enrich it with insight and technology, toward making financial service and business professionals more productive and successful.

Review of the business

The Company carries out the operations of the Factiva group of companies outside of the United States. It has the rights to the economic benefits of the revenues generated by Factiva branded products outside of the United States and bears the costs associated with providing these services. Certain costs are administered by News Corporation, the ultimate parent, or Dow Jones. In addition, certain costs are based on service level agreements agreed between the Company and News Corporation's group of companies for the provision of account management and support services. These costs are charged to the Company via these inter-group relationships.

The key financial performance indicators on which the business is measured are revenue and operating profit. The revenue for the financial year ended 3 July 2022 was £202m (27 June 2021: £177m). The revenue growth is attributed to improved retention rates for core Factiva subscriptions at renewal coupled with significant sales growth in Dow Jones' Risk and Compliance suite of products. This growth in Risk & Compliance has come from both recurring services as well as one-off bespoke reports tailored to client requirements. The operating profit margin to 3 July 2022 was 28.2% (27 June 2021: 26.4%). Operating profit for the year to 3 July 2022 was up by 21.8% to £56.9 million (27 June 2021: £46.7 million). This was primarily due to a 14.1% increase in YoY revenue and a 14.4% increase in operating costs. The increase in revenue was driven mostly by increased demand for our watchlist, screening and other Risk & Compliance products.

The Company operates in a competitive market but has shown strong growth in revenues during the year. The principal risks to the business come from traditional and emerging competitors and the reliance on content licensed by third parties. However, these risks are familiar and are actively monitored and managed. Overall, the Company performed in line with expectations and remains profitable.

Future developments

The directors expect the Company to continue its emphasis on growing its professional information business. The Company will continue to deliver world-class global news and business information to inform institutional traders, investment managers and individuals in their financial decision making. The Company will maintain responsibility for Dow Jones' Factiva and Risk & Compliance product services and continue to service customers outside the United States with these. The Company is a part of the Dow Jones EMEA business. Dow Jones is a globally connected business and has embraced technology to ensure communication across the globe is at its most efficient.

In January 2020, an outbreak of a new strain of coronavirus, COVID-19, was identified in Wuhan, China. The virus has spread globally including to the UK and Europe and the World Health Organization (WHO) declared COVID-19 a pandemic on 11 March 2020. Governments, the UK government among them, have imposed restrictions to reduce the risk of further spread of the disease - closing borders, ordering home quarantine and cancelling public events. Dow Jones is a globally connected business and has ensured the necessary technology is in place for communications around the world to be made efficiently whether working from an office location or home.

The Directors do not believe that COVID-19 will have a significant financial impact on the Company in the foreseeable future.

Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ending 3 July 2022 and 27 June 2021. The Company includes within long term liabilities non-current derivative financial instruments and non-current constituents of deferred tax. Capital comprises equity attributable to the equity holders of the parent.

Equal opportunities

The Company is committed to treating all staff fairly. Our objective is to have a company that is free of bias and we strive to ensure that all employees are treated with dignity and respect. The Company also seeks and values diversity among employees, recognising that a mix of people and cultures enriches the Company and encourages creativity and business growth. The Company's policy is to provide equal employment opportunities and advancement consideration to all individuals based on job-related qualifications and ability to perform the job, without regard to race, colour, ancestry, national origin, religious creed, sex, disability, veteran status, sexual orientation, age or marital status. It is also the Company's policy to provide a working environment that is free of intimidation or harassment based on any of these factors.

Section 172(1) statement

This section serves as our Section 172 statement in compliance with the Companies Act 2006. Section 172(1)(a) to (f) of the Companies Act requires the directors to have regard to the interests of our wider stakeholders when making key decisions across a range of areas. We identify our stakeholders as our employees, our clients or customers, our suppliers, our communities / environment, our shareholders and Governments and regulators. During Financial Year 2022, the Directors undertook a variety of activities to engage with stakeholders on behalf of Factiva Limited.

Section 172(1) statement (continued)

This section of the report describes the impact of this engagement for Dow Jones International Limited and confirms that the Directors have at all times during the year under review (and at all other times) acted in a way that they considered, in good faith, would be most likely to promote the success of the Company, and in doing so had regard (amongst other matters) to:

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

Engagement with and interests of employees

The Directors are key advocates for promoting employees' voices to the senior leadership of the Company through a variety of different channels.

Employee Engagement and Communication
The Company's values and principles are set out in our Dow Jones Code of Conduct, as part of our employee onboarding and reference Guide. It addresses how we treat each other, how we act as an organization and how we behave in the context of society. The Code of Conduct is adopted on a global basis with accompanying local policies to provide supporting details on specific topics addressed within this Code of Conduct. The Code of Conduct contains links to related policies that will help guide decision making and provides information on how to report violations.

Policies include Equality, Non-Harassment & Non-Discrimination Policy, Whistleblowing Policy and GDPR Privacy Notice. This Code is reviewed annually or when prompted by certain events or changes in our business.

Now that Dow Jones appears as a segment within NewsCorp's SEC filings senior leaders hold quarterly and annual calls and send emails to update employees on financial results and strategy. This is communicated in line with NewsCorp SEC filing timeframes.

The Directors believe that this gives greater visibility of the senior leadership team to all employees and enables them to establish a clearer link between the strategic direction of the Company, their own role within it and the financial success that this leads to

In addition, an annual "Your Voice" survey is sent to all employees and aims to engage them on a variety of topics around their own roles and career development. The Directors ensure that a high participation rate is achieved by encouraging employees to complete this. Results are compiled and shared with employees on an EMEA region specific basis.

Employee Engagement and Communication (continued)
These are presented along with how new initiatives are developed to deal with some of the less favourable feedback. The Directors believe this ensures the employees are consulted on areas of improvement and share tangible plans to improve in these areas.

Section 172(1) statement (continued)

Engagement with and interests of employees (continued)

Inclusion
The Company prides itself on being an inclusive Company to work for and the Directors instil this as a key part of the Company's culture. Several workgroups have been established to celebrate and provide support to a diverse number of people across the organisation. These all focus on a particular area of diversity and strive to improve open communication across the organisation to promote inclusiveness. Examples of the working groups are Women@DJ, Pride@DJ, BlackInsight@DJ and Parents@DJ. Each has senior leadership sponsorship with the aim to tackle areas of debate and improvement across the organisation.

The Company also provides all employees with a wide range of technical and business training opportunities, so each employee is given the opportunity to fulfil their potential.

Health and Wellbeing
A number of wellness initiatives have been successfully introduced over the last few years. This has given the employees a diverse selection of benefits and support for their physical and mental health. Examples include Virgin Pulse that offers employees cash benefits by tracking and improving their wellbeing and fitness habits and goals; Employee Assistance Programme that offers advice and counselling for a all employees over the telephone and online; as well as the added benefit of private health and dental insurance, life cover and pensions.

Fostering relationships with suppliers, customers, and other stakeholders in a business relationship with the Company

Suppliers
Dow Jones International benefits from a centralised procurement function that ensures a consistently implemented set of policies and processes are adhered to across the Globe and specifically within the UK operations.

Each supplier has a contractual relationship with Dow Jones International directly or as part of an overall master services agreement in which a separate UK statement of work or addendum is prepared.

The Directors recognise the key role our suppliers play in ensuring Dow Jones delivers a reliable service to our customers. When entering new relationships with suppliers, Dow Jones conducts a thorough onboarding process known as KYBP (Know Your Business Partner). This assesses the supplier in several different areas to ensure we are compliant with UK Bribery Act rules and that the supplier is "fit for purpose" in providing the services required.

All payment processes adhere to a workflow in our financial systems where invoices are digitally read and fed into the system using a package called OpenText. This removes the need for data entry and therefore the Accounts Payable team are more focussed on review of expenses and ensuring all invoices are appropriately approved before payment. The approval process is administered within the SAP financial system and

Suppliers (continued)
includes both representatives from the business and finance side of the organisation. Segregation of Duties is achieved through this process in addition to thresholds for different levels of approval as required.

Section 172(1) statement (continued)

<u>Fostering relationships with suppliers, customers, and other stakeholders in a business relationship with the Company (continued)</u>

Customers
Dow Jones' daily mission is to deliver trusted news and data to help businesses and society make decisions for a better future. This puts our customers at the forefront of everything we, as a Company, strive for.

The Directors believe that focussing on the needs and requirements of our customers is fundamental to the success of our business. By partnering closely with our clients, we ensure they are able to make the best decisions to achieve their objectives and we benefit from growing our relationships and revenue in an organic way. In this way we look to further develop our products by interacting and collecting data from our customers through several channels:

- Customer service calls
- Sales process feedback
- Market Intelligence
- Buying patterns

The Directors believe this information is invaluable to assist in strategic decision making, whether it be in improving existing product offerings or identifying areas where new ideas can be developed.

During the year the Directors receive updates on Key Performance Indicators including subscriber numbers, ARPU (Average Rate per User), customer retention rates, calls to customer service as well as traditional financial information such as key account sales and revenue performance against budget and forecast.

Governments and Regulators
Dow Jones is a global business located in most of the major jurisdictions in the world. Therefore, it is important to ensure we satisfy local requirements and compliance and be considered "good corporate citizens". The Directors of Dow Jones International are therefore responsible for ensuring this compliance in the UK and the EMEA region in which the Company operates.

In the UK specifically the Directors are responsible for timely preparation and filing of statutory filings. The board also has a representative identified to serve as the Senior Accounting Officer (SAO) who works in collaboration with the tax department on communicating with HMRC.
Should there be any significant tax planning that the Company is considering advice is sought from HMRC on this impact of this planning and if any approvals are necessary.

The Directors also regularly review the robust transfer pricing policies in place to ensure they are still fit for purpose and adhere to tax requirements in the UK and its foreign branches.

Shareholders
As a fully owned subsidiary of our parent company Dow Jones & Company Inc., The Directors service shareholders of NewsCorp by ensuring global policies are implemented correctly and are aligned with NewsCorp strategy.

Section 172(1) statement (continued)

Other Non-Financial matters

Shareholders (continued)
Across the entire Dow Jones group, decision making is made at a strategic level that impacts all levels of the organisation and it is the responsibility of the Directors to ensure this happens as expected. This is especially important now that Dow Jones is reported as a segment within the NewsCorp 10-K and 10-Q filings from FY21. The Directors are also responsible for the local SOX certification on a quarterly basis.

We aim to comply with the Non-Financial Reporting requirements contained in Sections 414CA and 414CB of the Companies Act 2006. The information below details our position on key non-financial matters.

Environmental Matters
As part of the NewsCorp group, Dow Jones is committed to reducing its environmental impact focussing on the following 3 key areas:

- **Reduce**
  - Reduce our fuel and electricity carbon emissions 60% by 2030 from a 2016 base year.
  - Minimize single-use plastic and other wastes within our business.
  - Achieve net zero carbon emissions by 2050
- **Engage**
  - Engage our customers, employees, suppliers and partners on sustainability outcomes.
  - Partner with the Science Based Target Initiative to align our carbon reduction goals with a global temperature rise limit of 1.5°C above pre-industrial levels.
  - Continue to publicly report our Climate Change and Forests sustainability practices annually through the CDP
- **Source Responsibly**
  - Source 100% of all News Corp globally purchased paper from certified sources or recycled material by 2025.
  - Partner with our suppliers to reduce our supply chain carbon emissions 20% by 2030 from a 2016 base year.
  - Power our operations with clean energy wherever feasible.

Since 2021, News Corp publishes an annual Environmental, Social and Governance (ESG) report. As a segment in NewsCorp reporting the Dow Jones group is identified specifically for its global contribution to sustainability and this report will serve as a key marker of progress in the future

During the year the commitment to ESG matters was further increased with executive leadership at NewsCorp now attributing a proportion of its incentive compensation calculation to the achievement of ESG related goals.

In FY22, office use had not yet returned to pre-COVID levels with an emphasis on flexible working practices. However, the Company continues its commitment to using sustainable materials in offices where possible.

Environmental Matters (continued)
Messaging on The Wall Street Journal, Barron's and our customer sign-up sites around the use of sustainable materials is highlighted as customers become more decerning on the impact businesses have on the global ecosystem.

Section 172(1) statement (continued)

Other Non-Financial matters (continued)

Social matters
Dow Jones is strongly committed to social and economic justice. We believe information, the manner and channels through which it is distributed, can make a huge difference, as the role of factually correct journalism, information and analysis takes an ever-greater role in society. The Company's vision of providing the facts that people need in an age of misinformation drives the Company's commitment to the wider social and economic landscape. This is especially critical with the growth of "fake news" and media manipulation leading to tangible social unrest.

Human Rights, Anti-corruption and anti-bribery matters
Consistent with our values the Group has a zero-tolerance approach to all forms of bribery and corruption. This is set out in the Anti-Corruption and Anti-Bribery Policy. Annual training on these policies is mandatory for all employees under the Foreign Corrupt Practices Act in the United States

Responsible Procurement Practices Policy and the Modern Slavery Policy sets out requirements for both employees and supplier compliance. These are enacted by the Company's centralised sourcing and procurement team which includes a strict onboarding process for all vendors prior to contracting with them.

Principal decisions by the Directors

Flexible working practices
The Directors are aware that COVID-19 has significantly changed employees' approach to work for the future. Using the results of "Your voice" surveys and anecdotal evidence within office spaces, the Directors, chose not to implement a mandated return to the office plan during FY22. Discretion was granted to individual management teams and groups to determine the best way to work over the course of the year. This Directors believe this was a success in FY22 as employee satisfaction and productivity did not significantly reduce over the year. However, as the Company emerges into this post pandemic world, the Directors are conscious of the impact longer-term home working can have on productivity and employee engagement. They, therefore, continue to assess the best balance of remote and office working as time progresses. The Directors have made a commitment to all employees to give them substantial notice of any changes that could have any impact on current work patterns.

Implementation of new benefits hub
The Directors were pleased to offer some new benefits to employees during the year including discounts for high street and online shopping outlets. As part of this process an online benefits hub was developed by a third party provider to serve as a gateway to these new benefits but also allowed the Company to provide a single point of entry to all benefits already provided to employees. This offered employees a more streamlined and simpler way to access all the benefits the Company has to offer, thereby allowing greater visibility on pension, healthcare, dentistry and childcare benefits along with the newly implemented shopping discounts.

Customer relationships in Russia
In February 2022 Russian forces invaded Ukraine which led to sanctions being imposed by global governments and businesses on the Russian government, economy and Russian individuals.

The Company does not have direct operations in Russia, however, the Directors reviewed the customer relationships the Company holds in the region. Revenue earned by Russian based customers in FY22 was £3,530k (FY21: £4,392k) which represented less than 2% of total revenue. All outstanding debt with Russian customers has also been fully provided for within these financial statements.

Principal decisions by the Directors (continued)

Customer relationships in Russia (continued)
In reviewing government guidance in the UK and US and wishing to remain compliant with the sanctions in place, the Directors decided to begin the process of unwinding the Company's relationships with Russian customers during FY23. The Directors considered many factors in removing activity with Russia and believe they have acted with the best interests of the Company, its employees and the wider socio-economic environment in mind. The Directors, expect growth in revenues from sanction tracking and Risk & Compliance products to replace any revenue lost with these terminated customers.

Risk management policies and objectives

While complex geopolitical dynamics, market volatility and inflation continue to impact people and businesses around the world, the Company's ability to curate, analyse and report the facts uniquely positions the company to provide clarity on all these challenges to its customers.

Therefore, an increased demand for the provision of information could ultimately benefit the Company. However, the Company will also continue to assess the impact of high inflation, interest rate rises and the general cost of living crisis on its own expenses and operations.

The main risks are in relation to derivatives and financial instruments for which disclosures can be found under note 18 to the financial statements.

Brexit

Now that the United Kingdom has left the European Union, British companies may struggle to recruit employees from EU countries due to the new points-based immigration system, which has created legal barriers. This could lead to higher labour costs and other costs for services from British based companies.

Brexit and the continued new relationship with the EU also present many opportunities for Journalism and Analysis around the topic. Therefore, in terms of revenue impact Management believes that being uniquely placed as a news provider with a strong reputation for facts and corporate integrity, the Company may stand to benefit from the increased newsgathering associated with this event and the demand for its products in this regard.

From an operational perspective the Company is well supported in ensuring its greatest asset - its people - are able to continue to work in the UK post Brexit. Management are confident that there will not be significant impacts to their available workforce and will continue to deliver high quality products.

By order of the Board

C Power
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Christopher Power
Director

28 March 2023

FACTIVA LIMITED
Registered Number 3773253

DIRECTORS' REPORT

FOR THE YEAR ENDED 3 JULY 2022

The directors present their Report on the affairs of Factiva Limited ("the Company") together with the audited financial statements for the 53 week period ended 3 July 2022 ("the year") (2021: 52 week period ended 27 June 2021).

Financial results

During the year ended 3 July 2022 the Company made a profit after taxation of £54.9 million (27 June 2021: £46.1 million).

Going concern

The financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future. During the year the Company made an operating profit of £56,883,000 (27 June 2021: £46,710,000) and a profit before taxation of £56,879,000 (27 June 2021: £47,087,000). The Company continues to experience growth in revenue driven by growth in Risk & Compliance services. As of 3 July 2022, the Company maintained a net asset position of £78,465,000 (27 June 2021: £60,141,000) predominantly driven by a net current asset position of £77,160,000 (27 June 2021: net current asset of £58,463,000). This improvement of the balance sheet has been driven by growth in revenues leading to cash generation through upfront billing. In assessing the company's ability to continue as a going concern, the directors have considered a period to 31 March 2024.

The Company will continue to deliver world-class global news and business information to inform institutional traders, investment managers and individuals in their financial decision making.

The Company will maintain responsibility for Dow Jones' Factiva and Risk & Compliance product services and continue to service customers outside the United States with these. The company operates as part of the Dow Jones EMEA business. Dow Jones is a globally connected business and has embraced technology to ensure communication across the globe is at its most efficient with its employees and clients.

The Directors have assessed the trend of market and economic conditions in which the Company operates and have also incorporated the impact of the COVID-19 pandemic into this assessment. The market trend of moving from pure data provision to value added propositions that incorporate data and analytics continues and the Company is uniquely placed to benefit from this given their track record of developing world-class analytics with an ever-growing pool of relevant content sourced both internally within the Dow Jones group and externally. The demand for news and information to underpin investment decisions is strong given the uncertainty in the economic climate as the globe emerges from the COVID pandemic and society begins to return to a post-pandemic normality. In this regard the strategy for the Company will focus on further developing customer APIs to enable efficient use of its services and broadening its reach when sourcing relevant content and data. Risk and Compliance will continue to be a strong area of growth as investors become focussed on managing Risk with third parties and the threat of changing sanctions in political conflict.

The Company remains profitable and continues to generate cash. Therefore, the Directors are of the view that market conditions and the impact of COVID-19 does not affect the Company's ability continue as a going concern which assumes that the company will continue in operational existence and meet its liabilities as they fall due for a period to 31 March 2024.

Throughout the pandemic business operations have continued with minimal disruption. The business has adapted quickly to a largely remote operation and not been adversely affected by the uncertainty around the rapidly changing government advice on restrictions. Dow Jones globally has adopted a consistent and proactive approach throughout this period meaning changes to restrictions have little impact on day to day operations. The directors have continued in assessing the impact of COVID-19 on the Company, including a review of: the customer base, cash collection, operations, staff working arrangements and capacity.

Going concern (continued)

As the world adapts to living with COVID and the longer-term prospect of society returning to pre-pandemic normality, the Directors are focussed on managing the growth of revenues earned from digital publications and developing new ways of leveraging the strong asset of information and data and a reputation in the market for factually correct news it has built over many years. They believe this will secure a profitable future for the Company.

As part of the going concern review the Directors have also incorporated the initial impact of the Russian invasion of Ukraine that began in February 2022. The Directors expect that the Company will continue to transact in Russia for the foreseeable future, and the sanctions in place as of the date of this report do not currently impede the ability of the Company to continue trading in the region. The Company does not lease or own premises nor employ anyone in Russia and therefore it is expected that day-to-day operations will remain unaffected.

With new sanctions from governments or Companies being implemented each day the Directors continue their risk assessment of the operation in Russia and its ability to trade in the region. Revenue generated in the region represents 1.8% of total revenue as at 3 July 2022 and with revenue growth over the last few years averaging around 10% the potential impact of losing this revenue is not expected to impede the ability of the Company to remain profitable and generate cash to fulfil its current obligations. The Directors are therefore confident the Company will continue in operational existence for the foreseeable future.

In addition, News Corporation (the "Ultimate Parent Company") has agreed to provide continuing financial support to enable the Company to meet its obligations as and when they fall due for a period to 31 March 2024. The Ultimate Parent Company has reviewed and will continue to review its liquidity needs in light of the business and including economic impacts of COVID-19; however, it expects that its current cash balances will enable it to meet its liquidity needs for a period to 31 March 2024, including repayment of debt. The Ultimate Parent Company also has available borrowing capacity under its undrawn $750 million revolving credit facility and expects to have access to the worldwide credit and capital markets, subject to market conditions, in order to issue additional debt if needed or desired.

Please refer to https://investors.newscorp.com/ for further details.

Based on this information and on enquiries, the directors believe that News Corporation has the ability to provide financial support to the Company for the foreseeable future including for a period to 31 March 2024.

Taking into account the position of the ultimate parent, including their agreement to provide continuing financial support to enable the Company to meet its obligations as and when they fall due for a period to 31 March 2024, and their assessment of the impact on the Company summarised in the Future Developments section of the strategic report, the directors are of the view, to the best of their current knowledge, that the company has adequate resources to continue as a going concern for a period to 31 March 2024. Thus, they continue to adopt the going concern basis in preparing the financial statements.

Dividends

Dividends of £36,563,000 were declared and paid within the year (2021: £39,743,000) and no further dividends are proposed by the directors for the year ended 3 July 2022.

This represents a dividend per share of £182.81 (2021: £198.71).

Creditor payment terms

Company policy is to pay creditors in accordance with their terms, provided the suppliers' performance is also in compliance with agreed conditions.

Directors

The following directors held office throughout the year and remain directors at the date of this report unless otherwise noted:

- Eric Mandrackie
- Christopher Power
- Christina Van Tassell (Resigned 5 November 2021)

Employees

The average number of employees during the year was 32 (27 June 2021: 36).

It is the Company's policy that selection of employees for entry to the Company, for training, development and promotion, should be determined solely on their skills, abilities and other requirements which are relevant to the job and in accordance with the laws in the country concerned.

Employee involvement

The Company places considerable value on the involvement of its employees. It both informs them and listens to them on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings and other communication initiatives. The Company also runs several incentive schemes which encourage the involvement of employees in the Company's performance.

Directors' indemnities

The ultimate holding company, News Corporation, maintains liability insurance for its directors and officers and those of its subsidiary companies throughout the world. This cover, together with that taken out by certain subsidiaries, where relevant, indemnifies all employees of the group who serve on the boards of all subsidiaries, associates and joint ventures. These indemnity policies subsisted throughout the period and remain in place at the date of this report.

Streamlined Energy and Carbon Reporting Framework (SECR)

Organisations subject to the SECR are required to include information relating to their energy and Green House Gas (GHG) emissions.

	2022	2021
UK Energy Use (kWh)	109,445	132,141
Associated Greenhouse Gas Emissions (kg CO2 equivalent)	22,285	28,741
Total square metres of occupied space *	218	280
Intensity Ratio (kg CO2 per square metre)*	102.23	102.65

note: 2021 covers July 1, 2020- June 30, 2021

* In the prior year financial statements occupied space was shown as 3,584 square feet and intensity ratio was shown as 8.019 per square foot

Streamlined Energy and Carbon Reporting Framework (SECR) (continued)

UK energy use covers electricity and natural gas consumption for the UK offices of Factiva Limited.

Factiva Limited does not have any transport energy to report for the above referenced periods. Company cars and grey fleet are not utilised, and all business travel is undertaken on public transport.

In the past year, the energy efficiency actions that were taken include working with the landlord to maximize energy efficiencies of the Building Management System for the lighting, heating and air conditioning of the Factiva Limited occupied spaces.

Associated greenhouse gases have been calculated using the Greenhouse Gas Protocol methodology established by the World Resources Institute and the World Business Council for Sustainable Development, however the 2022 data is preliminary and currently undergoing a third-party verification review. Final third-party verified data for 2022 will be posted in March 2022 at www.newscorp.com/gei.

The UK entities of the Dow Jones Corporate Group share the same floor space (39,823 square feet). The floor space of the group is apportioned considering the headcount of the employees located in the UK as per the below:

- 90% (2021: 90%) Dow Jones International Limited (company number 01164588)
- 2% (2021: 0%) Dow Jones Energy Limited (company number 13656905)
- 1% (2021: 1%) eFinancialNews Limited (company number 03089347)
- 7% (2021: 9%) Factiva Limited (company number 03773253)

The directors believe this apportionment is the best estimate for both 2022 and 2021.

Statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving this report are listed above. Having made enquiries of fellow directors and of the company's auditor, each of the directors confirms that:

- to the best of his/her knowledge and belief, there is no information relevant to the preparation of this report of which the company's auditors are unaware; and
- he/she has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

The auditor, Ernst & Young LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Post Balance Sheet Events

On 20 September 2022 the company declared and paid a dividend of £ 65,611,058 to its shareholders Dow Jones Business Interactive Limited and Factiva LLC.

On 14 December 2022 the company acquired an initial 16.3% holding in Ripjar Ltd, a global leader in intelligence software, for a total of £20,998,189.

By order of the Board

C Power
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Christopher Power

Director
28 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 3 JULY 2022

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable United Kingdom 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 company financial statements in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements the directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance;
- in respect of the financial statements, state whether International Accounting Standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the company will not 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 company 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.
Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report and directors' remuneration report that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FACTIVA LIMITED (CONTINUED)

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

Auditor's responsibilities for the audit of the financial statements (continued)

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (UK adopted international accounting standards and the Companies Act 2006), and the relevant direct and indirect tax legislation in the United Kingdom. In addition, the company has to comply with laws and regulations affecting its operations, including those related to health and safety, employees, data protection and anti-bribery and corruption.

- We understood how the company is complying with those frameworks by making inquiries of management, including those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes and papers provided to those charged with governance, as well as consideration of the results of our audit procedures over the company's financial statements.

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by identifying significant classes of transactions and significant accounts and considering how these classes of transactions and accounts may be subjected to management override and fraud.

- We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk.

- Our procedures involved testing of transactions in the financial statements with characteristics that may indicate a higher risk of fraud. We identified revenue as an area that was particularly susceptible to misstatement through management override. Our response to this risk was to carry out detailed testing over revenue, receivables and cash. We also carried out detailed testing of unusual items identified during our work.

- We incorporated data analytics into our testing of manual journals, including segregation of duties, and into our testing of revenue recognition. We tested specific transactions back to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions. We also considered key performance indicators and their propensity to include efforts made by management to manage revenue and earnings.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FACTIVA LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud* (continued)**

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on manual non-standard journals and journals indicating large or unusual transactions based on our understanding of the business; inquiries of those responsible for legal and compliance of the company and management; and focused testing. In addition, we completed procedures to conclude on the compliance of the disclosures in the annual report and financial statements with all applicable requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://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.

Neil Cullum (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
28 March 2023

FACTIVA LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 3 JULY 2022

	Note	3 July 2022 £'000	27 June 2021 £'000
Revenue	3	201,518	176,688
Operating costs	4	(146,541)	(128,080)
Other operating income / (costs)	5	1,906	(1,898)
Operating profit		**56,883**	**46,710**
Net finance (costs)/ income	6	(4)	377
Profit before taxation		**56,879**	**47,087**
Taxation	7	(1,992)	(1,002)
Profit for the financial year		**54,887**	**46,085**

Statement of total comprehensive income

	3 July 2022 £'000	27 June 2021 £'000
Profit for the financial year	54,887	46,085
Total comprehensive income for the year, net of tax	54,887	46,085
Attributable to the equity holders	54,887	46,085

Revenue and operating profit are derived from continuing operations.

The notes on pages 23 to 48 form part of these financial statements.

FACTIVA LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 3 JULY 2022

	Note	3 July 2022 £'000	27 June 2021 £'000
ASSETS			
Non-current assets			
Intangible assets	**10**	617	815
Property, plant and equipment	**11**	21	31
Investments in subsidiaries	**12**	4	4
Deferred tax asset	**13**	786	994
Other financial assets	**15**	536	134
		1,964	**1,978**
Current assets			
Trade and other receivables	**14**	65,841	19,307
Cash and cash equivalents		97,349	78,564
Other financial assets	**15**	1,420	322
Current tax receivable		1,765	1,765
		166,375	**99,958**
TOTAL ASSETS		**168,339**	**101,936**
LIABILITIES			
Current liabilities			
Trade and other payables	**17**	(88,832)	(40,727)
Other financial liabilities	**16**	(383)	(768)
		(89,215)	**(41,495)**
Non-current liabilities			
Other financial liabilities	**16**	(156)	(178)
Deferred tax liability	**13**	(503)	(122)
		(659)	**(300)**
TOTAL LIABILITIES		**(89,874)**	**(41,795)**
NET ASSETS		**78,465**	**60,141**
EQUITY			
Capital and reserves attributable to equity holders			
Share capital	**19**	200	200
Retained earnings		78,265	59,941
TOTAL EQUITY		**78,465**	**60,141**

The notes on pages 23 to 48 form part of these financial statements.

The financial statements on pages 19 to 48 were approved by the Board of Directors on 28 March 2023 and were signed on its behalf by:

C Power

Christopher Power
Director

28 March 2023

FACTIVA LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 3 JULY 2022

	Share capital (Note 19) £'000	Retained earnings £'000	Total equity £'000
Balance at 28 June 2020	**200**	**53,599**	**53,799**
Dividends paid		(39,743)	(39,743)
Profit for the year/ total comprehensive income for the year	-	46,085	46,085
Balance at 27 June 2021	**200**	**59,941**	**60,141**
Dividends paid	-	(36,563)	(36,563)
Profit for the year/ total comprehensive income for the year	-	54,887	54,887
Balance at 3 July 2022	**200**	**78,265**	**78,465**

FACTIVA LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 3 JULY 2022

	Note	3 July 2022 £'000	27 June 2021 £'000
Profit before taxation for the year		56,879	47,087
Adjustments for:			
Depreciation of property, plant and equipment	**11**	10	14
Amortisation of intangible assets	**10**	249	822
Fair value movements on derivatives	**5**	(1,906)	1,898
Finance income	**6**	4	(377)
Movements in working capital			
(Increase)/ Decrease in trade and other receivables	**14**	(46,534)	8,424
Increase in trade and other payables	**17**	46,701	3,622
		55,403	61,490
Interest received		29	396
Interest paid		(33)	(19)
Net cash from operating activities		**55,399**	61,867
Cash flows from investing activities			
Purchase of intangible assets	**10**	(51)	(43)
Net cash used in investing activities		**(51)**	(43)
Cash flows from financing activities			
Dividends paid		(36,563)	(39,743)
Net cash used in financing activities		**(36,563)**	(39,743)
Increase in cash and cash equivalents		**18,785**	22,081
Cash and cash equivalents at the beginning of the year		**78,564**	56,483
Cash and cash equivalents at the end of the year		**97,349**	78,564

1. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to the years ending 3 July 2022 and 27 June 2021, unless otherwise stated.

Factiva Limited ("The Company") is a private company limited by shares. The company is incorporated and domiciled in the United Kingdom. The address of the registered office is The News Building, 7th Floor, 1 London Bridge Street, London, SE1 9GF, United Kingdom.

The principal activity of the company is disclosed in the strategic report.

Statement of compliance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006

The financial statements of Factiva Limited ("Company") for the year ended 3 July 2022 were authorised for issue by the board of directors on 28 March 2023 and the balance sheet was signed on the board's behalf by Christopher Power.

The company's financial statements have been prepared in compliance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006.

The principal accounting policies adopted by the Company are set out below.

Basis of preparation

The financial statements are made up to the Sunday closest to the 30 June each year. Consequently, the financial statements for the current period cover 53 weeks ended 3 July 2022 (52 weeks ended 27 June 2021).

The financial statements are prepared on the going concern basis under historical cost convention, unless otherwise stated below. The financial statements have been prepared in pound sterling which is the company's functional currency and rounded to the nearest thousand pounds (£'000) unless otherwise stated.

The preparation of the financial statements requires management to make judgements, assessments and assumptions in the process of applying the Company's accounting policies. However, the nature of estimation means that actual outcomes could differ from those estimates. Judgements and key sources of estimation uncertainty that have a significant effect on the Company's financial statements are disclosed in note 2.

Going concern

The financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future. During the year the Company made an operating profit of £56,883,000 (27 June 2021: £46,710,000) and a profit before taxation of £56,879,000 (27 June 2021: £47,087,000). The Company continues to experience growth in revenue driven by growth in Risk & Compliance services. As of 3 July 2022, the Company maintained a net asset position of £78,465,000 (27 June 2021: £60,141,000) predominantly driven by a net current asset position of £77,160,000 (27 June 2021: net current asset of £58,463,000). This improvement of the balance sheet has been driven by growth in revenues leading to cash generation through upfront billing. In assessing the company's ability to continue as a going concern, the directors have considered a period to 31 March 2024.

The Company will continue to deliver world-class global news and business information to inform institutional traders, investment managers and individuals in their financial decision making.

1. Accounting policies (continued)

Going concern (continued)

The Company will maintain responsibility for Dow Jones' Factiva and Risk & Compliance product services and continue to service customers outside the United States with these. The company operates as part of the Dow Jones EMEA business. Dow Jones is a globally connected business and has embraced technology to ensure communication across the globe is at its most efficient with its employees and clients.

The Directors have assessed the trend of market and economic conditions in which the Company operates and have also incorporated the impact of the COVID-19 pandemic into this assessment. The market trend of moving from pure data provision to value added propositions that incorporate data and analytics continues and the Company is uniquely placed to benefit from this given their track record of developing world-class analytics with an ever-growing pool of relevant content sourced both internally within the Dow Jones group and externally. The demand for news and information to underpin investment decisions is strong given the uncertainty in the economic climate as the globe emerges from the COVID pandemic and society begins to return to a post-pandemic normality. In this regard the strategy for the Company will focus on further developing customer APIs to enable efficient use of its services and broadening its reach when sourcing relevant content and data. Risk and Compliance will continue to be a strong area of growth as investors become focussed on managing Risk with third parties and the threat of changing sanctions in political conflict.

The Company remains profitable and continues to generate cash. Therefore, the Directors are of the view that market conditions and the impact of COVID-19 does not affect the Company's ability continue as a going concern which assumes that the company will continue in operational existence and meet its liabilities as they fall due for a period to 31 March 2024.

Throughout the pandemic business operations have continued with minimal disruption. The business has adapted quickly to a largely remote operation and not been adversely affected by the uncertainty around the rapidly changing government advice on restrictions. Dow Jones globally has adopted a consistent and proactive approach throughout this period meaning changes to restrictions have little impact on day to day operations.

The directors have continued in assessing the impact of COVID-19 on the Company, including a review of: the customer base, cash collection, operations, staff working arrangements and capacity. As the world adapts to living with COVID and the longer-term prospect of society returning to pre-pandemic normality, the Directors are focussed on managing the growth of revenues earned from digital publications and developing new ways of leveraging the strong asset of information and data and a reputation in the market for factually correct news it has built over many years. They believe this will secure a profitable future for the Company.

As part of the going concern review the Directors have also incorporated the initial impact of the Russian invasion of Ukraine that began in February 2022. The Directors expect that the Company will continue to transact in Russia for the foreseeable future, and the sanctions in place as of the date of this report do not currently impede the ability of the Company to continue trading in the region. The Company does not lease or own premises nor employ anyone in Russia and therefore it is expected that day-to-day operations will remain unaffected.

With new sanctions from governments or Companies being implemented each day the Directors continue their risk assessment of the operation in Russia and its ability to trade in the region. Revenue generated in the region represents 1.8% of total revenue as at 3 July 2022 and with revenue growth over the last few years averaging around 10% the potential impact of losing this revenue is not expected to impede the ability of the Company to remain profitable and generate cash to fulfil its current obligations. The Directors are therefore confident the Company will continue in operational existence for the foreseeable future.

1. Accounting policies (continued)

Going concern (continued)

In addition, News Corporation (the "Ultimate Parent Company") has agreed to provide continuing financial support to enable the Company to meet its obligations as and when they fall due for a period to 31 March 2024.

The Ultimate Parent Company has reviewed and will continue to review its liquidity needs in light of the business and including economic impacts of COVID-19; however, it expects that its current cash balances will enable it to meet its liquidity needs for a period to 31 March 2024, including repayment of debt. The Ultimate Parent Company also has available borrowing capacity under its undrawn $750 million revolving credit facility and expects to have access to the worldwide credit and capital markets, subject to market conditions, in order to issue additional debt if needed or desired.

Please refer to https://investors.newscorp.com/ for further details.

Based on this information and on enquiries, the directors believe that News Corporation has the ability to provide financial support to the Company for the foreseeable future including for a period to 31 March 2024.

Taking into account the position of the ultimate parent, including their agreement to provide continuing financial support to enable the Company to meet its obligations as and when they fall due for a period to 31 March 2024, and their assessment of the impact on the Company summarised in the Future Developments section of the strategic report, the directors are of the view, to the best of their current knowledge, that the company has adequate resources to continue as a going concern for a period to 31 March 2024. Thus, they continue to adopt the going concern basis in preparing the financial statements.

Exemption from consolidation

The financial statements contain information about Factiva Limited as an individual entity and do not contain consolidated financial information as the parent of the group. The Company has taken advantage of the exemption under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of its ultimate parent company, News Corporation, which are publicly available.

Revenue recognition

Revenue is recognised when or as the Company satisfies its respective performance obligations under each contract.

Usage revenue is derived from services provided on an individual transaction basis and sales of products and is measured at fair value of consideration received, net of discounts and VAT. It is recognised as revenue as the associated subscription is delivered.
Recurring revenues include information services subscription. Information services subscription revenues are recognized over time as the subscriptions are delivered. Payments from subscribers are generally due at the beginning of the month and are recorded as contract liability. Such amounts are recognised as revenue as the associated subscription is delivered.

Outright revenue is made up mostly of consulting contracts and is accounted for in accordance with the contractual terms, either on a percentage of completion basis or on a time and materials as incurred basis. It is recognised when the performance obligation is delivered. The performance obligation is determined by evaluating the costs incurred at the balance sheet date as a proportion of the total needed to complete the project. Contracts with multiple performance obligations.

1. Accounting policies (continued)

Revenue recognition (continued)

Revenues derived from sales contracts that contain multiple products and services are allocated based on the relative standalone selling price of each performance obligation to be delivered.

Standalone selling price is typically determined based on prices charged to customers for the same or similar goods or services on a standalone basis. If observable standalone prices are not available, the Company estimates standalone selling price by maximizing the use of observable inputs to most accurately reflect the price of each individual performance obligation. Revenue is recognized as each performance obligation included in the contract is satisfied.

Property, plant and equipment

All property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment.

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

- Leasehold property: 10 years
- Computer systems and office equipment: 3 to 10 years
- Office equipment 10 years

No depreciation is charged on assets under construction.

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable; and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued used of the asset. Any gain or loss arising on the derecognition of the asset is included in the income statement in the period of derecognition.

Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

An intangible asset acquired in a business combination is deemed to have a cost to the company of its fair value at the acquisition date. The fair value of the intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the company.

1. Accounting policies (continued)

Intangible assets (continued)

Subsequent to the initial recognition, intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

The carrying values of intangible assets are reviewed on an annual basis for impairment or when changes in circumstances indicate that the carrying value may not be recoverable.

i) Internally generated intangible assets – developed software

Expenditure directly attributable to the development of software is capitalised as an intangible asset. Capitalisation commences when technical feasibility is established and management is satisfied of the probability that future economic benefits will be generated by the asset. Capitalisation ceases when the software is ready for its intended use. Amortisation of an internally generated asset begins when development is complete and the asset is available for use and the assets are amortised. The assets are amortised on a straight-line basis over their expected useful lives, generally 3 to 5 years, commencing when they are ready for use.

Expenditure on research activity, or on development activity that does not meet the criteria for capitalisation, is charged to the income statement as incurred.

ii) Acquired intangible assets

Acquired intangible assets include intellectual property and acquired software. These assets are capitalised on acquisition and amortised over their expected useful economic lives:

Intellectual property:	3-5 years
Acquired software:	3-5 years

iii) Goodwill

Goodwill is recorded as the difference between the cost of acquiring an entity and the estimated fair values assigned to its tangible and identifiable intangible net assets.

The Company tests goodwill for impairment on an annual basis and at other times if a significant event or change in circumstances indicates that it is more likely than not that the fair value of these assets has been reduced below their carrying value.

The Company uses its judgment in assessing whether assets may have become impaired between annual impairment assessments. Indicators such as unexpected adverse economic factors, unanticipated technological change or competitive activities, loss of key personnel and acts by governments and courts, may signal that an asset has become impaired.

Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities, based on tax rates and laws enacted or substantively enacted by balance sheet date.

Deferred income tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

1. Accounting policies (continued)

Taxation (continued)

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted, or deferred tax liabilities against whose reversal they can be recovered.

- Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

The Company's financial statements are presented in Pound Sterling which is also the functional currency of the company. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. All differences are taken to the income statement.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recognised initially at fair value and subsequently measured at amortised cost using effective interest method. Any losses arising from impairment are recognised in the income statement in administrative expenses.

Investments

Investments are stated at cost, less any provision for impairment. The carrying value of fixed asset investments are reviewed for impairment when assets or changes in circumstances indicate the carrying value may not be recoverable.

Finance income and finance costs

Finance income and finance costs are accrued on a time basis by reference to the amount outstanding and at the effective rate of interest applicable. Finance costs are charged to the income statement and are not capitalised.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank deposits repayable on demand, other highly liquid investments with original maturities of three months or less, and bank overdrafts.

1. Accounting policies (continued)

Provisions for liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Financial assets and liabilities

Impairment requirements in IFRS 9 are based on an expected credit loss (ECL) model. The ECL model applies to debt instruments (such as bank deposits, loans, debt securities and trade receivables) recorded at amortised cost or at fair value through other comprehensive income, plus lease receivables and contract assets. Loan commitments and financial guarantee contracts that are not measured at fair value through profit or loss are also included in the scope of the new ECL model.

Financial assets and liabilities (continued)

The guiding principle of the ECL model is to reflect the general pattern of deterioration, or improvement, in the credit quality of financial instruments.

The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general, there are two measurement bases:

• 12-month ECLs which apply to all items as long as there is no significant deterioration in credit risk
• Lifetime ECLs which apply when a significant increase in credit risk has occurred on an individual or collective basis

i) Initial recognition and fair value

Financial instruments are classified as assets or liabilities in accordance with the substance of the contractual arrangement.
Financial assets are recognised when the Company becomes party to the contracts that give rise to them and are classified as financial assets at fair value through profit or loss or loans and receivables. These financial assets consist of derivatives, an intercompany loan, trade and other receivables. The Company determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end. When financial assets are recognised initially, they are measured at fair value, being the transaction price plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Company considers whether a contract contains an embedded derivative when the entity first becomes a party to it. The embedded derivatives are separated from the host contract if it is not measured at fair value through profit or loss and when the economic characteristics and risks are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

Financial assets may be designated at initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis or (ii) the financial asset contains an embedded derivative that would need to be separately recorded.

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

1. Accounting policies (continued)

Financial assets and liabilities (continued)

i) Initial recognition and fair value (continued)

Financial liabilities which are not recognised at fair value through the profit and loss account are all measured at amortised cost.

ii) Types of financial assets and liabilities

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as trading assets and have not been designated as either fair value through profit and loss or available-for-sale. Such assets are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Embedded derivatives
Derivatives recognised in the financial statements consist of forward foreign exchange contracts embedded within contracts for the purchase or supply of services. The fair value of foreign exchange contracts is determined using forward exchange market rates at the balance sheet date and at the inception of the contract. Only committed cash flows are accounted for under these contracts.

Interest bearing loans and borrowings
Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.
Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

iii) Impairment

The Company assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

Assets carried at amortised cost
If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced, through the use of an allowance account. The amount of the loss shall be recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

iv) De-recognition of financial assets and liabilities

A financial asset or liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

1. Accounting policies (continued)

Changes in accounting policies (continued)

New and amended standards and interpretations not applied during the year

The following new and amended standards and interpretations are in issue at 3 July 2022 are not yet effective and have not been adopted by the company:

New Pronouncement	Effective Date	First time applied
IFRS 17 Insurance Contracts	Jan-23	Jun-24
Amendments to IFRS 3 Reference to conceptual framework	Jan-22	Jun-23
Amendments to IAS 16 PPE - proceeds before intended use	Jan-22	Jun-23
Onerous contracts - costs of fulfilling contract - amendments to IAS 37	Jan-22	Jun-23
AIP IFRS 1 First time adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter	Jan-22	Jun-24
AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities	Jan-22	Jun-23
Amendments to IAS1 Classification of liabilities as current or non-current	Jan-23	Jun-23
Amendments to IAS 8 – Definition of Accounting Estimates	Feb-21	Jun-23
Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies	Feb-21	Jun-23

The Company does not anticipate that any other new or revised standards and interpretations issued by the IASB will have a material impact on its results or financial position in the period of initial application.

2. Critical judgements in applying the entity's accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the entity's accounting policies

The company has not made any critical judgements in applying the entity's accounting policies.

(b) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

2. Critical judgements in applying the entity's accounting policies and key sources of estimation uncertainty (continued)

(c) Critical accounting estimates and assumptions

(i) Useful economic lives of tangible and intangible assets
The annual depreciation and amortisation charges for tangible and intangible assets respectively are sensitive to changes in the useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments and economic utilisation of the assets.

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

(ii) Accounting for embedded derivative assets and liabilities
The value of the derivative is calculated based on the assumption that future foreign exchange rates are equal to market forward rates. This value could be greater or lesser dependant on the actual future rates. The main exchange rates that would have a significant impact are US dollar, euro and sterling. The value of the derivative asset and liability at year-end totalled £1,956,000 and £539,000 respectively (27 June 2021: £456,000 and £945,000 respectively).

3. Revenue

Revenue from sale of services by type:

	3 July 2022	27 June 2021
	£'000	£'000
Recurring	195,649	172,061
Usage	441	436
Outright	5,428	4,191
	201,518	**176,688**

Recurring revenue is generated through subscription fees for access to Factiva products and includes revenue generated from group companies. Usage fees are generated by services sold on an individual transaction basis. Outright revenue includes one-off licence fees, maintenance charges and consultancy.

Outright revenue includes £735,000 (27 June 2021: £392,000) arising from consulting contracts.

Geographical analysis:

	3 July 2022	27 June 2021
	£'000	£'000
United Kingdom and Ireland	41,135	37,265
Continental Europe, Middle East & Africa	92,549	80,442
Americas (excluding United States)	15,586	12,699
Asia Pacific	52,248	46,282
	201,518	**176,688**

4. Operating costs/ (income)

	3 July 2022	27 June 2021
	£'000	£'000
Employee benefits expense (note 8)	4,632	4,378
Content	36,916	30,955
Services*	104,440	91,227
Depreciation of tangible assets and amortisation of intangible assets	259	836
Communications	43	56
Bad debt	1,003	239
Occupancy charges	125	114
Foreign exchange (gain) / loss	(877)	274
	146,541	**128,079**

*Services include all bought in services, other than those listed, including service charge, lease charges, intercompany recharges, marketing activity, staff related expenses, consultancy, professional fees, equipment rental and maintenance and outsourced services.

The occupancy charges relate to 6th Floor Office, The Guildhall, 45-67 Queen Street, Glasgow. Factiva Limited holds an Occupancy Agreement with News UK & Ireland Limited. The recharge rolls forward on 1 September each year. Either party may terminate this Occupancy agreement for any reason and at any time during the term upon 30 days prior written notice to the other party.

An analysis of fees payable to the company's auditors is set out below:

	3 July 2022	27 June 2021
	£'000	£'000
Fees payable to the company's auditor for the audit of the annual accounts	138	123
Fees payable to the company's auditor and its associates for other services:		
The audit of the company's subsidiaries, pursuant to legislation	115	113
Total fees payable	**253**	**236**

5. Other operating income/ (costs)

	3 July 2022	27 June 2021
	£'000	£'000
Fair value gain / (loss) on embedded foreign exchange derivatives	**1,906**	**(1,898)**

6. Net finance (costs)/ income

	3 July 2022 £'000	27 June 2021 £'000
Interest receivable from News UK & Ireland Limited	-	390
Interest receivable on bank deposits	29	6
Interest payable on bank accounts	(33)	(19)
	(4)	377

7. Taxation

	3 July 2022 £'000	27 June 2021 £'000
Current tax:		
UK corporation tax on profits of the year	368	328
Foreign withholding taxes	1,403	1,240
Adjustment in respect of prior years	(368)	(328)
Total current tax	1,403	1,240
Deferred tax:		
Current year	725	(361)
Adjustment in respect of prior years	(136)	245
Deferred tax rate change	-	(122)
Total deferred tax	589	(238)
Tax charge for the year	1,992	1,002

Factors affecting tax charge for the current financial year:

The charge for the financial year can be reconciled to the profit per the income statement as follows:

	3 July 2022 £'000	27 June 2021 £'000
Profit before tax	56,879	47,087
Tax on profit at standard UK tax rate of 19% (2021: 19%)	10,807	8,947
Fixed asset differences	1	2
Expenses not deductible for tax purposes	-	12
Group relief claimed for nil payment	(9,888)	(8,907)
Effects of other tax rates/credits	1,034	913
Adjustments to tax charge in respect of prior periods - deferred tax	(136)	245
Deferred tax not recognised	174	31
Effect of change of tax rates	-	(241)
Tax charge for the year	1,992	1,002

7. Taxation (continued)

Factors affecting tax charges for future years

The UK rate of corporation tax reduced from 19% to 17% effective from 1 April 2021 substantively enacted but rescinded by the Finance Act 2021. The Finance Act 2022 increased the corporation tax rate from 19% to 25% effective 1 April 2023, and so a rate of 25% has been used to calculate deferred tax balances that unwind after 1 April 2023.

8. Employees

The average number of employees including directors was:

	3 July 2022	27 June 2021
Sales & Marketing	1	1
Technical & Editorial	31	35
Total	**32**	**36**

The employee benefits expense for the period including directors was:

	3 July 2022	27 June 2021
	£'000	£'000
Wages and salaries	3,819	3,435
Social security costs	535	481
Pension costs	278	278
Restructuring cost	-	184
Total employee costs	**4,632**	**4,378**

9. Directors' remuneration

The directors received no remuneration from the company for qualifying services to the company. The directors' remuneration was borne by Dow Jones International Limited and Dow Jones & Company Inc. In the opinion of the directors, it is not practicable to apportion their remuneration between qualifying services to the company and services to the rest of the group.

10. Intangible assets

The intellectual property represents all rights associated with the software underlying the three products developed by B2B Reputation intelligence. The software is the subject of a patent application, the rights under which have been assigned to the Company. Amortisation relating to intangible assets is included within operating costs in the income statement.

	Intellectual property	Acquired software	Internally developed software	Cerico Goodwill	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 28 June 2021	**2,681**	**1,224**	**21**	**304**	**4,230**
Additions	-	51	-	-	51
Disposals	-	(208)	(21)	-	(229)
At 3 July 2022	**2,681**	**1,067**	**-**	**304**	**4,052**
Amortisation					
At 28 June 2021	**2,681**	**717**	**17**	**-**	**3,415**
Amortisation charged in period	-	245	4	-	249
Disposals	-	(208)	(21)	-	(229)
At 3 July 2022	**2,681**	**754**	**-**	**-**	**3,435**
Net book value					
At 27 June 2021	-	507	4	304	815
At 3 July 2022	-	**313**	-	**304**	**617**

11. Property, plant and equipment

	Leasehold property £'000	Computer systems £'000	Office equipment £'000	Total £'000
Cost				
At 28 June 2021	46	38	4	88
Disposals	-	(20)	-	(20)
At 3 July 2022	46	18	4	68
Depreciation				
At 28 June 2021	17	37	3	57
Charged in period	8	1	1	10
Disposals	-	(20)	-	(20)
At 3 July 2022	25	18	4	47
Net book value				
At 27 June 2021	29	1	1	31
At 3 July 2022	21	-	-	21

The Company has not pledged any asset as security for a liability, nor are there any assets subject to restrictions on title.

12. Subsidiary undertakings

	£'000
Cost	
At 27 June 2021 and 3 July 2022	4
Net book value	
At 27 June 2021 and 3 July 2022	4

The subsidiary undertakings are as follows:

Subsidiary undertaking	Country of incorporation	% of equity shares
Factiva Business Information S.L.	Spain	100%
Factiva (Australia) Pty Limited	Australia	100%
Factiva (France) S.A.R.L.	France	100%
Dow Jones Services Limited	United Kingdom	100%
Dow Jones News Services Pty*	South Africa	100%
Dow Jones HaberAjansi Anonim Sirketi*	Turkey	99.99%

*Held by subsidiary undertaking

Each subsidiary undertaking operates principally in its country of incorporation. The principal activity of all of these undertakings listed is the supply of sales and marketing, account management, coding and support services to the Company.

13. Deferred tax

The movement on the deferred taxation asset is as shown below:

	3 July 2022 £'000	27 June 2021 £'000
At 27 June 2021 /28 June 2020	994	906
(Charge)/ credit to income statement (note 7)	(208)	88
At 3 July 2022 /27 June 2021	**786**	**994**

Of the £786,407 of deferred tax asset as at 3 July 2022, none is expected to reverse over the next year as liabilities are expected to be settled.

The movement on the deferred taxation liability is as shown below:

	3 July 2022 £'000	27 June 2021 £'000
At 27 June 2021 /28 June 2020	122	273
Charge/ (credit) to income statement (note 7)	381	(151)
At 3 July 2022 /27 June 2021	**503**	**122**

Deferred tax assets

	Decelerated Capital Allowances £'000	Other STTDs £'000	Total £'000
At 28 June 2021	174	820	994
Charge to income statement	(42)	(166)	(208)
At 3 July 2022	**132**	**654**	**786**

Deferred tax liabilities

	Embedded Derivative £'000	Other STTDs £'000	Total £'000
At 28 June 2021	122	-	122
Charge to income statement	381	-	381
At 3 July 2022	**503**	-	**503**

14. Trade and other receivables

	3 July 2022 £'000	27 June 2021 £'000
Trade receivables	60,709	13,366
Expected credit loss provision	(2,329)	(1,734)
Amounts owed by fellow group companies	5,255	4,809
Amounts owed by subsidiary companies	840	1,356
Prepayments	405	237
Contract asset	525	870
Other receivables	436	403
	65,841	**19,307**

Trade receivables are due within 30 days. Amount owed by fellow group companies and subsidiary companies arise in the course of business and are repayable on demand, unsecure and interest free.

All trade and other receivables are measured at the expected recoverable amount which is a reasonable approximation of their fair value. As at 3 July 2022, trade receivables at nominal value of £2,329,000 (2021: £1,734,000) were impaired and fully provided for.

Movements in the expected credit loss provision of receivables were as follows:

	Total £'000
At 27 June 2021	1,734
Utilised during the period	(408)
Increase in provision	1,003
At 3 July 2022	2,329

The ageing analysis of trade receivables was as follows (£'000):

3 July 2022	**Total due**	**Current**	**1-30 days**	**31-60 days**	**61-90 days**	**90 days +**
Gross	60,709	45,088	3,882	2,166	5,181	4,392

27 June 2021	**Total due**	**Current**	**1-30 days**	**31-60 days**	**61-90 days**	**90 days +**
Gross	13,366	4,905	1,318	3,950	452	2,741

15. Other financial assets

	3 July 2022	27 June 2021
	£'000	£'000
Current		
Derivative financial instruments (Note 18)	1,420	322
Non-current		
Derivative financial instruments (Note 18)	536	134

16. Other financial liabilities

	3 July 2022	27 June 2021
	£'000	£'000
Current		
Derivative financial instruments (Note 18)	383	768
Non-current		
Derivative financial instruments (Note 18)	156	178

17. Trade and other payables

	3 July 2022	27 June 2021
	£'000	£'000
Trade payables	514	424
Amounts due to Dow Jones & Company Inc	8,055	5,944
Amounts due to subsidiary undertakings	2,831	763
Amounts due to fellow group undertakings	4,255	4,727
Accruals	7,012	5,248
Contract liabilities	56,729	16,263
Other payables	9,436	7,358
	88,832	**40,727**

Amounts due to Dow Jones & Company Inc., fellow group companies and subsidiary undertakings arise in the ordinary course of business and are repayable on demand, unsecured and interest free. Trade creditors are settled in accordance with the terms of the vendor.

Trade and other payables are measured at the amount that is expected to be required to extinguish the liability when it falls due which is a reasonable approximation of their fair value.

18. Derivatives and other financial instruments

The Company's principal financial instruments, other than derivatives, comprise cash and short-term deposits and loans with related parties.

The main purpose of these is to provide financing for assets used in the Company's operations. The Company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The main risks arising from the Company's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. The Company's accounting policies in relation to derivatives are set out in note 1.

Foreign currency risk

Transaction risk arises when the Company receives or pays cash in a currency which is not its functional currency. A substantial amount of the revenue of the Company is denominated in foreign currency. In addition, the Company also has substantial contracts for the purchase of services which are denominated in foreign currency.

Translation risk arises when the Company holds assets or liabilities payable or receivable in a currency which is not its functional currency.

The Company policy is to minimise the amounts of foreign currency denominated assets and liabilities held in the balance sheet at any time. Any cash balances surplus to short-term needs are passed up to the parent to utilise as it sees fit.

The Company's foreign currency exposure for both revenues and costs is principally to the United States Dollar and the Euro and to a lesser extent, the Swiss Franc and the Japanese Yen.

The following table demonstrates the sensitivity to a reasonably possible change in the US Dollar, Euro, Japanese Yen and Swiss Franc, exchange rate, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities):

		Change in £ rate	**Effect on profit before tax £000**
2022	USD	+10%	7,548
	EUR	+10%	(221)
	CHF	+10%	(12)
	JPY	+10%	70
2021	USD	+10%	6,548
	EUR	+10%	(157)
	CHF	+10%	(29)
	JPY	+10%	43

There is no direct impact on equity for changes in exchange rates. A reduction in the rate for all currencies would have an equal and opposite effect on profit before tax.

18. Derivatives and other financial instruments (continued)

Credit risk

The Company has some exposure to credit risk in respect of market sector, with financial institutions making up a significant proportion of our customer base. The company adopts the Dow Jones Group standardised credit evaluation process. Customer reports for each region (AME, EMEA and APAC) are run in CRM Salesforce to review the accounts which currently require the review of a credit check. A number of additional tools including other Dow Jones proprietary software such as Know Your Business Partner are used if further analysis is required.

Outstanding customer receivables are regularly monitored and the ageing of receivables is reviewed monthly for any signs of impairment.

The carrying amounts for assets in the balance sheet, net of applicable provisions, represent the amount exposed to credit risk.

Liquidity risk

Factiva Limited maintains a large cash balance. Short term liquidity risk is low and planning is done through short term forecasting. Any funds surplus to the Company's requirements are held on short term cash deposits. The Company also rely on the support of its ultimate parent News Corporation.

Interest rate risk

The company's exposure to market risk for the changes in interest rates is considered minimal. Balances on interest bearing bank accounts are minimal and were excluded from this disclosure. There is no direct impact on equity from changes in interest rates.

No other financial assets or financial liabilities are subject to interest rate risk. The Company does not actively manage this risk.

Financial assets and liabilities

The carrying value and fair value of financial assets and liabilities at 3 July 2022 and 27 June 2021 are shown below:

	3 July 2022 £'000	27 June 2021 £'000
Derivative instruments		
Embedded derivatives in sales contracts	1,944	(721)
Embedded derivatives in supplier contracts	(527)	231
	1,417	(490)

18. Derivatives and other financial instruments (continued)

	3 July 2022 £'000	27 June 2021 £'000
Loan and other receivables		
Trade receivables	58,380	11,632
Amounts owed by fellow group companies	5,255	4,809
Amounts owed by subsidiary companies	840	1,356
Other receivables	436	403
Cash	97,349	78,564
Derivative financial instruments	1,956	456
	164,216	97,220

	3 July 2022 £'000	27 June 2021 £'000
Financial liabilities measured at amortised cost		
Trade payables	514	424
Amounts owed by Dow Jones & Company Inc	8,055	5,944
Amounts due to fellow group companies	4,255	4,727
Amounts due to subsidiary companies	2,831	763
Accruals	7,012	5,248
Other payables	9,436	7,358
Derivative financial instruments	539	945
	32,642	25,409

The undiscounted contractual payments in relation to all financial liabilities as at the year end is equal to their carrying amount with the exception of embedded derivatives. There are no contractual payments due in relation to embedded derivatives contained within sales contracts.

The total amounts of undiscounted contractual payments due in relation to embedded derivatives within royalty contracts at the year end was £1,789,752 (27 June 2021: £2,460,374) of which £1,278,900 is payable within 1 year.

Cash at bank earns interest at floating rates based on daily bank deposit rates. The fair value of cash and cash equivalents is £97,349,000 (27 June 2021: £78,564,000).

Embedded derivatives in sales contracts and supplier contracts comprise amounts receivable, or payable, in currencies other than the functional currency of one or other contracting party; except in countries where another nominated currency is generally used in the normal course of business. Embedded derivatives arise mainly on contracts denominated in United States Dollars and Euros. The value of the derivative is calculated by comparing the value of the contractually committed cash flow at the balance sheet date measured at market forward rates at that date, with the same cash flow measured at market forward rates at the date of inception of the contract.

The total amount recognised in the income statement for changes in the fair value of embedded derivatives during the period was a gain of £1,906,324 (2021: loss of £1,898,450).

19. Share capital

	3 July 2022 £'000	27 June 2021 £'000
Authorised		
300,000 ordinary shares at £1 each	300	300
Allotted, called up and fully paid		
200,002 ordinary shares at £1 each	200	200

20. Pension

During the period the Company's employees participated in the Dow Jones defined contribution plan. The Company has no further liabilities under any defined benefit plans.

	3 July 2022 £'000	27 June 2021 £'000
Total expense recognised for defined contribution plans	278	278

21. Ultimate parent company

The immediate parent undertaking is Factiva LLC (formerly known as Dow Jones Reuters Business Interactive LLC), a Limited Liability Company formed under the laws of the State of Delaware, United States of America. The ultimate holding company and controlling party is News Corporation, incorporated in the State of Delaware, United States of America.

The largest and smallest group in which the result of the company is consolidated is that headed by News Corporation. Copies of News Corporation's consolidated financial statements can be obtained from 1211 Avenue of the Americas, New York, NY 10036, United States of America.

22. Related party transactions

During the year the company entered into transactions with other related parties. These transactions involved supply of services and were entered into in the normal course of business and on an arm's length basis.

Related party transactions with companies outside the News Corporation group:

	3 July 2022 £ '000	27 June 2021 £ '000
Sales to related party	2,456	1,025
Purchases from related party	-	30
Amounts owed from related party	693	73
Amounts owed to related party	5	28

22. Related party transactions (continued)

Related party transactions with the immediate parent company are as follows:

	Note	3 July 2022 £'000	27 June 2021 £'000
Purchases from related parties	(b)	51,811	44,392
Trademark licence fee	(e)	5,684	4,801
Amounts due to related party	(c)	8,055	5,944

Related party transactions and balances outstanding with fellow group companies are as follows:

	Note	3 July 2022 £'000	27 June 2021 £'000
Sales to related parties	(a)	9,728	8,981
Purchases from related parties	(b)	39,359	34,740
Amounts owed by related party	(c)	5,255	4,809
Amounts due to related party	(c)	4,255	4,727
Foreign exchange loss	(d)	18	315

Related party transactions with subsidiary companies are as follows:

	Note	3 July 2022 £'000	27 June 2021 £'000
Purchases from related parties	(b)	17,962	16,315
Foreign exchange gain	(d)	5	(10)
Amounts owed by related party	(c)	840	1,356
Amounts due to related party	(c)	2,831	763

Notes

(a) Sales to related parties relate to the supply of business information products.

(b) Purchases/operating costs incurred by related parties relate to the provision of marketing, account management, support services and associated overheads.

(c) Amounts owed by/ due to related parties relate to expenses paid by one entity on behalf of a related party at transaction cost. Additionally, there are royalties for distribution, marketing and promotional rights to sell products to third parties (2.25% net sales) paid to Factiva Limited from Brazil, China and Japan.

(d) Foreign exchange risk is recharged/ credited to Factiva Limited from service providers. No margin is charged/ credited on these amounts.

(e) Trademark licence fee payable to Dow Jones & Co. Inc.

23. Post balance sheet events

On 20 September 2022 the company declared and paid a dividend of £ 65,611,058 to its shareholders Dow Jones Business Interactive Limited and Factiva LLC.

On 14 December 2022 the company acquired an initial 16.3% holding in Ripjar Ltd, a global leader in intelligence software, for a total of £20,998,189.