
OPENCORPORATES LTD

UNAUDITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 NOVEMBER 2018

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2018**

The director presents his report and the financial statements for the year ended 30 November 2018.

Director

The director who served during the year was:

C Taggart

About OpenCorporates Ltd

OpenCorporates Ltd is the publisher of OpenCorporates, the largest open database of companies in the world. We make our information freely available to all, for the benefit of society, and with an innovative dual-use business model, which turns the traditional proprietary business model on its head.

Traditional proprietary data providers supply so-called "Black Box" data – data that is opaque, not well defined, uses proprietary identifiers, and that restricts access to a very small audience.

OpenCorporates data on the other hand is "White Box" data – fully public, transparent, well-defined, provenanced, and with open identifiers. Not only does this deliver our mission – of making company information more accessible, more usable and more useful for the public benefit – it is much more suitable for the current data-driven world, a key element to our public-benefit business model.

We also make the underlying data freely available to public-benefit users, such as journalists, NGOs and academics, and support and work with those groups, in their use of the data, and towards the wider goal of corporate transparency – for example, in the fight against corruption, and campaigning for free and open access to official data about companies.

For users who don't fall into the public-benefit category, we provide the data on a paid-for basis, and this provides our successful and sustainable business model, meaning that we have a powerful internal engine of growth that allows us to have a greater public benefit impact each year.

A year of changes

OpenCorporates is increasingly essential infrastructure for society, relied upon by journalists, lawyers, NGOs, law enforcement, banks, and many other groups, and it needs a structure to recognize that. Last year we appointed Ashurst LLP, a leading UK law firm, to help design the new structure. The brief was to protect our public-benefit mission, provide confidence for our stakeholders (civil society, journalists, governments, commercial users), and allow growth to be accelerated to have ever more impact.

This year we completed this work, creating an innovative new structure to lock in our mission, to better protect OpenCorporates, and to provide long-term governance that preserves OpenCorporates' independence and activities.

The new structure involved the creation of a new holding company, OpenCorporates Holding Ltd; an entity to hold the IP, OpenCorporates IP Ltd; and a new independent entity, OpenCorporates Trust Ltd. This also involved the shareholders of OpenCorporates Ltd committing to pass on their voting rights on or before their death to the Trust, and capping their economic return so that in the long term, dividends would be paid to the Trust, providing certainty for OpenCorporates's future.

The structure (slightly simplified) looks like this:

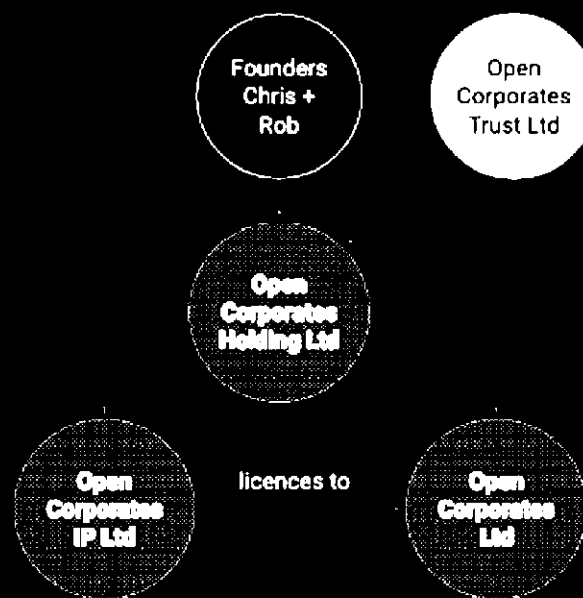
DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2018

Basic structure:

Holding company with two subsidiaries, one trading, one containing the IP. Protects the IP (and mission)

Trust ensures public benefit mission:

Via special T-shares (veto and reporting rights) and agreement with Holdco. These provide mission, equity and asset locks, but otherwise give freedom to be successful within this



It is a testament to OpenCorporates' success, and its potential, that we have attracted a truly world class set of trustees for the OpenCorporates Trust – from business to tech, anti-corruption to data journalism, NGO to corporate. It is vital to us that our trustees represent the diversity of our users, as is attracting people whose reputations and experience guarantees that we keep to our mission.

The founding trustees are:

Patrick Alley

Co-founder and director of Global Witness, the world's leading anti-corruption NGO. Since co-founding Global Witness in 1993, Patrick has taken part in over fifty field investigations in South East Asia, Africa and Europe and in subsequent advocacy activities.

Esther Dyson

Executive founder of Wellville and chairman of EDventure Holdings, Esther is an active angel investor, best-selling author, board member and advisor concentrating on emerging markets and technologies, new space and health.

John Githongo

John is a veteran anti-corruption investigator, whose fight is told in Michela Wrong's book *It's Our Turn to Eat: The Story of a Kenyan Whistle-Blower*. He is now the CEO of Inuka, a Kenyan grass-roots NGO working to create an informed citizenry.

Mike Olson

Mike is co-founder of Cloudera and served as its CEO until 2013, when he became chair and Chief Strategy Officer. He was also heavily involved in setting up the Cloudera Foundation, and was Chair of the board of Datakind, which encourages the use of data science to solve humanitarian challenges.

Giannina Segnini

Giannina Segnini is the director of the Data Journalism at Columbia University in New York. She also leads the Columbia Journalism Investigations, a team of post-graduate fellows who investigate cross-border collaborative stories using data.

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2018**

Jane Wales

Jane Wales is CEO of the Global Philanthropy Forum and World Affairs, vice-president of the Aspen Institute, and host of the nationally-syndicated National Public Radio interview show World Affairs. Wales is the former Associate Director of the White House Office of Science Technology Policy, and Senior Director of the National Security Council.

Company Results

This year we continued the significant progress made in 2016/17, organically growing data sales revenue by a further 49%. We also saw significantly increased use of the API and the website, particularly by regular users, confirming the importance and utility of OpenCorporates as a core resource among users of all categories of users.

The growth in both revenue and use is driven by the increasing number of users who have discovered the benefits of standardised, fully-provenanced primary official data, and the increasing pervasiveness of OSINT (open source intelligence) in due-diligence and law-enforcement communities. This revenue growth has also allowed us to increase investment in both R&D and public-benefit work.

Among the highlights of this financial year:

- Grew the core database by 20% to over 165 million entities, and improved the data both in depth and freshness, by further strengthening our data team and processes
- Added a number of new jurisdictions, including Brazil, Iran and Bulgaria as well as making multiple improvements to existing jurisdictions
- Grew the commercial and data teams, and began the search for a Chief Data Officer to further strengthen the data team.
- Grew our tech team to accelerate R&D and product development
- Began work on a third Horizon 2020 grant, They Buy For You, focusing on bringing transparency to government procurement. Our role is on improving entity reconciliation (matching of references to companies, for example in government supplier lists, to canonical records of those companies) in order to improve understanding of government procurement. We also continued to work on the euBusinessGraph project, building a new data product, Corporate Events Data, which will map and track changes to companies, providing critical signals and insight for due diligence, corporate investigations, and many other domains.

Even with the additional costs of the restructure and increased investments into R&D, we are delighted to report that we continued to be profitable, allowing us to gradually grow our reserves and strong cash position, building a firm financial position for the future.

Small companies note

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

OPENCORPORATES LTD

DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2018

This report was approved by the board and signed on its behalf.

.....
C Taggart

Director

Date: 29 August 2019

OPENCORPORATES LTD
REGISTERED NUMBER: 07444723

BALANCE SHEET
AS AT 30 NOVEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	32,025	27,199
		<u>32,025</u>	<u>27,199</u>
Current assets			
Debtors: amounts falling due within one year	5	587,332	363,118
Cash at bank and in hand	6	526,967	451,251
		<u>1,114,299</u>	<u>814,369</u>
Creditors: amounts falling due within one year	7	(842,593)	(698,559)
Net current assets		<u>271,706</u>	<u>115,810</u>
Total assets less current liabilities		<u>303,731</u>	<u>143,009</u>
Net assets		<u><u>303,731</u></u>	<u><u>143,009</u></u>
Capital and reserves			
Called up share capital		400	400
Share premium account		29,700	29,700
Profit and loss account		273,631	112,909
		<u>303,731</u>	<u>143,009</u>

OPENCORPORATES LTD
REGISTERED NUMBER: 07444723

BALANCE SHEET (CONTINUED)
AS AT 30 NOVEMBER 2018

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

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C Taggart

Director

Date: 29 August 2019

The notes on pages 7 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

1. General information

Opencorporates Limited (formerly Chrinon Limited) is a private company limited by shares. The Company is incorporated in England and Wales and the address of its registered office is Aston House, Cornwall Avenue, London, N3 1LF. The registered number is 07444723.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

2. Accounting policies (continued)

2.4 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of income and retained earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.6 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Taxation

Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer server equipment	- 25% Straight line
Computer equipment	- 50% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

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

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2017 - 8).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

4. Tangible fixed assets

	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 December 2017	909	76,200	77,109
Additions	-	21,825	21,825
At 30 November 2018	909	98,025	98,934
Depreciation			
At 1 December 2017	-	49,909	49,909
Charge for the year on owned assets	-	17,000	17,000
At 30 November 2018	-	66,909	66,909
Net book value			
At 30 November 2018	909	31,116	32,025
<i>At 30 November 2017</i>	909	26,290	27,199

5. Debtors

	2018 £	2017 £
Trade debtors	492,599	341,197
Other debtors	79,924	13,061
Prepayments and accrued income	14,809	8,860
	587,332	363,118

6. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	526,967	451,251
	526,967	451,251

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	84,771	78,483
Corporation tax	-	3,968
Other taxation and social security	44,682	18,985
Other creditors	509,879	356,686
Accruals and deferred income	203,261	240,437
	<u>842,593</u>	<u>698,559</u>

8. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>526,967</u>	<u>451,251</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

9. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £5,033 (2017 - £1,545) .

10. Transactions with directors

Included in other creditors is an amount of £5,000 (2017: £10,000) owed to the director. This loan is unsecured, interest free and repayable on demand.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.