
OPENCORPORATES LTD

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 NOVEMBER 2019

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2019**

The director presents his report and the financial statements for the year ended 30 November 2019.

Director

The director who served during the year was:

C Taggart

Highlights

- 9th consecutive year of revenue growth over 20%, all organically funded.
- 4th consecutive year of profitability.
- Significant wins in opening up official company register data for the public benefit.
- Built on last year's restructure, and significantly strengthened our leadership team.
- Further enhanced our thought leadership in the company information space with the publication of a white paper on White Box company data.

OpenCorporates: pioneering trusted White Box company data

OpenCorporates Ltd is the publisher of OpenCorporates, the largest open database of companies in the world with close on two million users a month at the end of FY 2019 (a 70% increase on a year earlier).

We are world leaders in White Box legal entity data – company data that is public, transparent, well-defined, provenanced, and with open identifiers. This is in contrast to the “Black Box” data supplied by traditional proprietary data – which is opaque, not well defined, uses proprietary identifiers, and that restricts access to a very small audience.

Not only does White Box data 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 innovative public-benefit business model. This business model turns the traditional proprietary business model on its head, and in the process aligns commercial use and public benefit, with each benefiting from the other. This has three key elements:

First, the whole world gets free access to OpenCorporates' vast repository of company records via the website, all sourced from the public sources – and millions of journalists, businesses, banks, NGOs, regulators and law enforcement use this data every year.

Second, commercial users benefit from high-quality, fresh, provenanced White Box company data – powered by our proprietary acquisition technology, our world-class domain expertise, and further strengthened by the ‘many eyes’ quality validation provided by the millions of users of the data on the OpenCorporates website. They pay to access the underlying structured data in bulk, providing a strong, sustainable revenue stream.

Third, journalists, NGOs and academics get access to this same structured data in bulk for free, and we also provide support and training for them.

All of this is underpinned by a strong governance framework, overseen by the OpenCorporates Trust, ensuring that OpenCorporates is both successful in its mission, and independent (we can't be sold or taken over).

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2019**

Company Results

Financials

This year we continued the significant progress made in 2016/17, organically growing data sales revenue by a further 38%.

We continued to be strongly profitable. As in previous years, most of that profit was reinvested back into the company to power future growth, with the rest strengthening our reserves.

We also saw a significant increase in the number of paid clients of the API and a 70% increase in the number of users of the website, confirming the importance and utility of OpenCorporates as a core resource among users of all categories of users.

Team

Significantly strengthened the leadership team, with the joining of Chief Technology Officer Alan Buxton, Chief Data Officer Rebecca Lee, and Chief Finance Officer Tannah Matus, joining CEO Chris Taggart and COO Sarah Arana-Morton.

Strengthened our support teams, with Kate Pierre joining as Head of People, and Jade Croucher being promoted to Head of Commercial.

Performed our first internal culture audit, showing high morale and a strong buy-in to our mission.

Public Benefit

Took the Quebec company register to court – and won the case – to confirm that we had the right to hold Quebec company register data.

Attracted significant grants from Luminate (part of the Omidyar Network), and the Mohn Westlake Foundation to accelerate the utility of our data and the collection of it respectively.

Played a significant role in the EU Open Data & Public Sector Information Directive, which was passed in summer 2019 and requires that Company & Company Ownership be made available as open data by all member states by summer 2021.

Signed a Memorandum of Understanding with the Organised Crime and Corruption Reporting Project, to supply them with data in their ground-breaking investigations of organised crime and corruption.

Worked with multiple partners in Germany – including the team at Süddeutsche Zeitung who broke the Panama Papers – to open up German company register data.

Products

Designed a multi-year programme to reengineer our data acquisition processes and tools to make our already very strong core legal entity data stronger still. This focuses on efficiency, quality, latency and provenance, areas where we are already strong, but are all crucial to the use of our data.

Began work on a new AI-powered Legal Entity Resolution Service. This will combine our deep data expertise with our comprehensive legal entity dataset to allow users to match names and other attributes of companies to the canonical legal entity records.

Took the first steps to moving our core company datastore to a time-based database rather than just a static snapshot of data sources with the development of Corporate Signals, which tracks changes in the underlying sources to produce important signals as to changes in companies.

OPENCORPORATES LTD

DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2019

Governance

Worked with the OpenCorporates Trust to create a plan to aggressively scale OpenCorporates beyond its already impressive growth.

As part of that, it was decided to create an operating board for OpenCorporates Ltd, splitting the Chair and CEO roles, to accelerate growth and follow best-practice governance.

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.

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

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C Taggart

Director

Date: 26 November 2020

OPENCORPORATES LTD
REGISTERED NUMBER: 07444723

BALANCE SHEET
AS AT 30 NOVEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	43,655	32,025
		43,655	32,025
Current assets			
Debtors: amounts falling due within one year	5	656,588	587,332
Cash at bank and in hand	6	1,090,044	526,967
		1,746,632	1,114,299
Creditors: amounts falling due within one year	7	(1,343,837)	(842,593)
Net current assets		402,795	271,706
Total assets less current liabilities		446,450	303,731
Net assets		446,450	303,731
Capital and reserves			
Called up share capital		400	400
Share premium account		29,700	29,700
Profit and loss account		416,350	273,631
		446,450	303,731

OPENCORPORATES LTD
REGISTERED NUMBER: 07444723

BALANCE SHEET (CONTINUED)
AS AT 30 NOVEMBER 2019

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 the 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: 26 November 2020

The notes on pages 6 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019**

1. General information

Opencorporates 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 2019**

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 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019**

2. Accounting policies (continued)

2.9 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.

2.10 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.

2.11 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.

2.12 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.

2.13 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019

3. Employees

The average monthly number of employees, including directors, during the year was 19 (2018 - 10).

4. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 December 2018	909	98,025	98,934
Additions	863	33,022	33,885
Disposals	(10)	(2,582)	(2,592)
At 30 November 2019	1,762	128,465	130,227
Depreciation			
At 1 December 2018	-	66,909	66,909
Charge for the year on owned assets	628	21,362	21,990
Disposals	-	(2,327)	(2,327)
At 30 November 2019	628	85,944	86,572
Net book value			
At 30 November 2019	1,134	42,521	43,655
At 30 November 2018	909	31,116	32,025

5. Debtors

	2019 £	2018 £
Trade debtors	511,478	492,599
Other debtors	101,339	79,924
Prepayments and accrued income	43,771	14,809
	656,588	587,332

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019

6. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	1,090,044	526,967
	<u>1,090,044</u>	<u>526,967</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	101,917	84,771
Corporation tax	32,858	-
Other taxation and social security	36,003	44,682
Other creditors	733,346	509,879
Accruals and deferred income	439,713	203,261
	<u>1,343,837</u>	<u>842,593</u>

8. 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 £5,892 (2018 - £5,033) .

9. Related party transactions

Included in other debtors is an amount of £Nil (2018: £39,194) due from Opencorporates Trust Limited.

There are no fixed terms of interest or repayment in respect of this balance.

10. Transactions with directors

Included in other creditors is an amount of £Nil (2018: £5,000) 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.