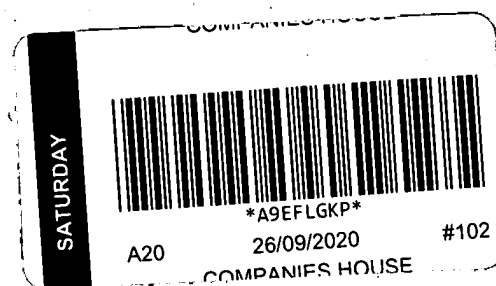


Registered number: 08373798

EDISON GLOBAL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



EDISON GLOBAL LIMITED

COMPANY INFORMATION

Directors

F C Thorne
S R Mckenzie
G P Bristowe
P R Molloy
N K Shah
T E Carless
T Teichman
I McLelland
R Carroll
D Ridsdale

Registered number

08373798

Registered office

280 High Holborn
London
WC1V 7EE

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Senior Statutory Auditor
30 Finsbury Square
London
EC2A 1AG

EDISON GLOBAL LIMITED

CONTENTS

	Page
Strategic report	1 - 5
Directors' report	6 - 7
Independent auditor's report	8 - 11
Consolidated statement of comprehensive income	12
Consolidated statement of financial position	13
Company statement of financial position	14
Consolidated statement of changes in equity	15
Company statement of changes in equity	16
Consolidated statement of cash flows	17
Notes to the financial statements	18 - 39

EDISON GLOBAL LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

The Directors present their strategic report together with the audited financial statements for the year ended 30 June 2019.

Principal activities

Edison is an investment research and advisory company, with offices in North America, Europe, the Middle East and Asia Pacific. At the heart of Edison is our world renowned equity research platform and deep multi-sector expertise.

Edison Investment Research publishes content that is extensively read by international investors, advisors and stakeholders. Our market leading equity research service is supplied to in excess of 400 corporate clients listed on over 40 stock markets globally. Our digital content is freely available and unencumbered by MiFID II regulations. Our content is distributed to 35,000 investors and investment professionals globally and is made available through over 60 distribution partners, including Bloomberg, Thomson Reuters, Factset. The quality and insightfulness of our research, waterfall sector coverage and unique distribution model are key in Edison's selection as the preferred partner for global exchanges including the Deutsche Boerse, Tel Aviv Stock Exchange, New Zealand Stock Exchange and Singapore Stock Exchange.

Edison Advisors leverages our core research platform and deep sector expertise to provide bespoke investor relations and strategic consulting services. Our network of professionals, enables Edison to connect companies with investors on a global basis, reflecting the increasingly cross border nature of capital markets. Over the last 12 months we continued our success in improving the quality of our clients share register, introducing new investors and pools of capital to enable our clients meet their capital markets objectives.

We currently employ over 90 staff, comprising in excess of 60 equity research analysts and investment professionals with specific sector and market experience.

Strategy

Building on Edison's position as the preeminent global equity research provider, we will leverage our corporate relationships, intellectual capital and market insight to provide unique global capital market solutions for our international clients.

Our knowledge of companies, markets and global capital is increasing our value proposition to clients and is supplied through our two key brands: Edison Investment Research and Edison Advisors. Across both of these brands, investment in our people and the acquisition of new skills will facilitate the extension of our services across sectors and regional offices. The Directors will consider bolt on acquisitions that accelerate growth of our international footprint and are EBITDA accretive.

The Group will continue to invest in and develop our content driven technology platform. Through this platform we are able to connect companies and investors, unencumbered by recent regulatory changes. We will broaden and deepen our relationships with different pools of international capital, from institutional fund managers to retail investors. As part of this process, the continued development of our website, digital content and investor intelligence applications will sharpen our competitive advantage.

A key success criteria for the Group over the next 3 years is to increase significantly the 'average revenue per client' (ARPU).

EDISON GLOBAL LIMITED

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

Performance review

The Directors are pleased with the resilience shown by the Group against difficult trading conditions, dominated by the political and economic uncertainty associated with Brexit. Revenues grew by 3% overall, with gains in the first half of the year partly offset by much weaker trading conditions in the second half, as economic and political uncertainty increased.

Underlying EBITDA, before FX and one off items, totalled £0.400m (2018 £0.699m) and is stated before a £0.371m charge for one off costs.

The full reconciliation to the Groups underlying profits is shown below:

	£000's
Statutory operating profit	£(259)
Add back - Depreciation/Amortisation	£250
Add back - FX	£38
One off items	£371
EBITDA before FX & one off items/costs	£400
Bonuses (Staff & Founders)	£405
Adjusted underlying EBITDA	£805

Two items contributed to the one off charges during the year. Peter Molloy (US CEO) left his executive role and was replaced by Rachel Carroll. The total cost of the US re-organisation, including retention bonuses paid to staff, was £0.250m. During the final quarter of the year a cost reduction exercise was initiated across the Group as trading conditions deteriorated sharply. This exercise incurred a one off cost of £0.121m and is expected to realise £0.900m of ongoing operating cost savings in the next financial year.

The Group's underlying cost (cost of sale plus administrative expenses less one off items) increased by 4% to £13.283m (2017 £12.736m), reflecting the Boards commitment to invest to create the leading international digital content, investor intelligence and investor relations platform. Staff bonuses totalling £0.405m (2018 £0.596m) were paid to incentivise our team at this key stage in the Groups development. In addition, £0.038m of FX losses were booked through the P&L account – mostly in respect of intercompany balances.

The net cash & cash equivalents position weakened during the year to £1.063m (2018 £1.892m). Net cash outflows from operating activities totalled £0.362m driven by an increase in trade debtors. The increase in trade debtors of £1.116m reflects a one off change to our invoicing policy and is offset by a £0.789m increase in creditors due to the deferred income charge.

The company had no borrowings at year end and continued to fund investment through organic cash generation. A further £0.433m was invested in fixed assets (2017 £0.258m), including the continued development of our research and investor relations platforms. Over the last six years the Group has self-funded investment totalling in excess of £3.900m on the following developments to our platform:

- Distribution platform, including the development of a new website providing greater visibility for our clients research;
- 'digital' html publishing and content generation;
- the quality and skills of our people;
- New services and products such as Edison TV, strategic investor relations & investor marketing services and advisory consulting services
- The international expansion of our services across our offices in London, New York, Frankfurt, Tel Aviv, Sydney and Auckland;

EDISON GLOBAL LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2019

Performance review (continued)

A fundamental objective of the company over medium term is to strengthen the Group's balance sheet. The Board believes that shareholder value will continue to be maximised by further investment in our competitive position as the full impact of regulatory changes crystallises over the coming years.

Management of Risks

Brexit Risk

Until trading agreements are reached between the United Kingdom and the European Union, Brexit will continue to create unprecedented levels of economic uncertainty and the implications over the longer term will remain unclear for some time. In addition to the wider economic uncertainty that Brexit brings, Edison's German operations are structured as a branch of the UK trading subsidiary and regulated under a FCA 'passport' arrangement. Edison also has a number of European clients serviced through its offices in London. Having completed a risk assessment last year, the nature and structure of our business means that we have no material operating risks in the event that no trade deal is reached between the United Kingdom and European Union. Edison's research and content is authored, quality assured and distributed in the United Kingdom and there is no material exposure to European investor roadshows. On completion of trade negotiations the Board will install an appropriate structure to continue to service our European clients.

Coronavirus

While it is too early to assess the full impact of the global spread of Coronavirus, we continue to closely monitor developments. First and foremost we will respond and implement policies to protect our employees, clients and suppliers. In recent days, a small but increasing number of our clients have postponed all but essential business travel. While this impacts the operation of our investor relations service, through the postponement of investor meetings, all of our digital content and investor meetings can be delivered digitally in line with the best practices of social distancing.

Financial Monitoring

The Group's financial performance is measured against annual budgets. The operational performance of each division and region is also monitored against budgets and Key Performance Indicators. The following KPI's are used: client numbers; average revenue per client; annualised contract value (ACV) of retained clients, EBITDA and EBITDA Margin.

Client Risk

We are not heavily exposed to the loss of a single client. However we operate in certain sectors (Oils, Mining, Healthcare) where a company's financial stability is impacted by a single event (failure of a drug trial, oil drilling results etc.) This results in a bad debt risk and the risk of contract termination due to non-controllable factors. We are working hard to improve our exposure to bad debts.

Competitive Environment

We operate in a regulated market. There are a number of service providers offering similar or competing products. However we are building stronger relationships with our client base and investing heavily in areas where our proposition is unique.

IT Systems

We have invested heavily in IT systems over the past two years and this investment will continue in the near term. Our IT strategy is to host key systems in the cloud with providers maintaining full tier one data centres and DR solutions.

EDISON GLOBAL LIMITED

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

Management of Risks (continued)**Data Risk**

Edison distributes its content to a large group of professional and retail investors. In order to facilitate this we hold limited amounts of personal data: email address; contact details; investment preferences and readership preferences. We do not hold client money, bank account details, financial or special category data across our readership. While every practical measure is taken to ensure compliance with data protection legislation and appropriate measures taken to secure this data, it is not possible to mitigate fully the risk of a data breach.

Going concern

The signing of our financial statements was delayed to enable a full assessment of Covid-19 on the Group's adoption of the going concern basis of preparation of these financial statements. The Group has continued to trade strongly during the initial phase of 'lockdown' however the Directors acknowledge that there remains a great deal of uncertainty as to the future impact of this unprecedented event.

From an operational perspective the production of research content increased through April and May and the readership of our content shows strong growth. Our view is that Covid-19 creates a situation where open and transparent communication to shareholders and potential investors is vital for companies and that Edison's differentiated platform facilitates and enhances this process.

Our investor relations team has successfully transitioned the majority of clients onto digital roadshows while physical distancing measures remain in force. From early March all staff have worked effectively and efficiently from home, and the Board would like to take this opportunity to thank the whole Edison team for successfully meeting the challenges presented by Covid-19. Key aspects of our operation: billing; cash collection; management information; payments to our people and suppliers; client onboarding and engagement have been completed without any significant concerns.

During the initial phases of the global pandemic, the Board commenced a series of mitigating actions designed to strengthen the Group's position:

- Secured a £0.9m Coronavirus Business Interruption Loan from RBS. This loan is approved and expected to be drawn down in October 2020;
- Re-negotiated the terms of our lease with the landlord allowing the quarterly rental payments in April and July totalling £0.3m to be deducted from our rental deposit;
- Deferred one quarters VAT payment under the VAT deferral scheme;
- Furloughed 10 staff saving circa £40k.

The Board is pleased to announce that the Group has suffered no material loss to its retained client base during lockdown and trading for the 4 months to 30 June 2020 shows:

- Following an initial spike in March, renewal rates steadily improved and averaged 84% over the 4 months to 30th June. This is ahead of long term average renewal rates;
- Following a strong March, new business sales struggled before recovering slightly towards the end of June 2020. Sales in the quarter to 30 June closed at £700k, circa 20% down on the 12 month rolling average.
- Over the period the underlying retained contract base increased slightly as new business outstripped client terminations.
- Cash balances remained strong, the Group held circa £2.0m of cash reserves at 30 June 2020.

EDISON GLOBAL LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019**

Going concern (continued)

We have performed a number of downside scenarios to consider the potential impact of Covid-19 on the Group's results, including performing reverse stress testing on our model. In preparing our forecasts, the following key assumptions were used:

- the impact of reduced revenue reflecting a sharp reduction in our retained contract base under a worst case scenario over a protracted 2 year period;
- mitigating cost actions under each scenario reflecting lower transaction volumes and the risk associated with implementing such actions;
- known reductions in expenditure associated with changes to business activity while physical distancing measures remain in force. For example, business travel, key conference engagements, client & staff entertaining etc.

Our business planning and mitigating activities are cognisant of the need to retain our core values and provide an exceptional service to our clients. Even under the significant downside scenario comprising our reverse stress testing, we are confident that we can take sufficient mitigation action to ensure that our facilities remain sufficient over the forecast period.

The Board acknowledges that we are living through an unprecedented period of uncertainty. The health and economic emergency created by Covid-19 is compounded by the continued uncertainty over the UK's long term trading relationship with the EU. The full extent of the impact of these events on our Group is unknown and will unwind over several years. The Board is pleased with progress to date and will proceed by adopting a cautious approach in the future. While immediate concerns are allayed through the actions taken to date, the risk of contagion from a protracted recession on our client base is not underestimated. We enter the next phase in a strong position but are mindful that these are unprecedented times.

After consideration of the above and the referred to forecasts for the period beyond a year from the signing of these financial statements, along with the various scenarios contemplated, the directors have concluded that they consider it to be appropriate to continue to prepare the financial statements on a going concern basis.

Future Developments

Financial markets continued to remain challenging through to December 2019 with the economic and political uncertainty surrounding Brexit intensifying. In November 2019 the Group raised £0.420m (net proceeds £0.410m) through a placing of 29,089 B ordinary shares to existing shareholders. This will allow the Group to continue to invest in the Edison platform, particularly the generation of digital content, global investor networks and investor intelligence and analysis. In July 2020 a further 8,968 B ordinary shares were purchased by Directors and staff raising £150,214.

We will continue to invest in our platform and people. While 2019 represented a very challenging year due to the economic and political uncertainty created by Brexit, we believe the business is well positioned for long term, sustainable growth.

This report was approved by the board on

19/8/2020

and signed on its behalf.

Tom Carless

T E Carless
Director

EDISON GLOBAL LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

The directors present their report and the financial statements for the year ended 30 June 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £403,795 (2018 - profit £252,499).

Directors

The directors who served during the year were:

F C Thorne
S R Mckenzie
G P Bristowe
P R Molloy
N K Shah
T E Carless
T Teichman
I McLelland
R Carroll
D Ridsdale

EDISON GLOBAL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019**

Future developments

We will continue to invest in our employees, resources, geographical footprint and infrastructure. While 2020 is likely to be a further year of investment, we believe we are positioning the company for long term, sustainable growth in revenues and profits.

In January 2017 the existing share option scheme was cancelled and replaced with a new EMI share option scheme. A total of 103,015 options were cancelled and replaced. The new options have been issued in 7 tranches with an exercise price of £14.50 over B shares in Edison Global Limited.

Tranche 1 (no vesting criteria) – 64,070
Tranche 2 (vested 31.12.17) – 11,030
Tranche 3 (vested 31.12.18) – 12,099
Tranche 4 (vested 31.12.19) – 12,399
Tranche 5 (vesting 31.12.20) – 1966
Tranche 6 (vesting 31.12.21) - 550
Tranche 7 (vesting 31.12.22) - 900

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Post balance sheet events

In November 2019 the Group raised £0.420m (net proceeds £0.410m) through a placing of 29,089 B ordinary shares to existing shareholders. This will allow the Group to continue to invest in the Edison platform, particularly the generation of digital content, global investor networks and investor intelligence and analysis. This was followed by the purchase of a further 8,968 B ordinary shares by Directors and managers raising £150,214.

Following the year end, the escalation of the initially geographically isolated incidences of Covid-19 to the level of being declared a global pandemic have impacted the macro economic environment and therefore the group's trading activity. The Group has continued to trade strongly during the initial phase of 'lockdown' however the Directors acknowledge that there remains a great deal of uncertainty as to the future impact of this unprecedented event. Due to that ongoing uncertainty it is not possible to forecast accurately the quantum of any financial impact of Covid-19 on the group's performance.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 19/8/2020 and signed on its behalf.

Tom Carless

T E Carless
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDISON GLOBAL LIMITED (REGISTERED NO. 08373798)

Opinion

We have audited the financial statements of Edison Global Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2019, which comprise the Consolidated Statement of comprehensive income, the Consolidated and Company Statements of financial position, the Consolidated Statement of cash flows, the Consolidated and Company Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 June 2019 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Group's and the parent Company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the Group's and the parent Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a Company associated with a course of action such as Brexit.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDISON GLOBAL LIMITED (CONTINUED)
(REGISTERED NO. 08373798)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's and the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the Group's and the parent Company's business model, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit and analysed how those risks might affect the Group's and the parent Company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this Auditor's report is not a guarantee that the Company will continue in operation.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDISON GLOBAL LIMITED (CONTINUED)
(REGISTERED NO. 08373798)

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 Group 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 Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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 Group strategic report or the Directors' report.

Matters on which we are required to report by exception

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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDISON GLOBAL LIMITED (CONTINUED)
(REGISTERED NO. 08373798)

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

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

A handwritten signature in black ink, appearing to read 'Peter Gamson'.

Peter Gamson
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
Date: 19/8/2020

EDISON GLOBAL LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 £	2018 £
Turnover	4	13,395,274	13,042,013
Cost of sales		(9,030,266)	(7,277,367)
Gross profit		4,365,008	5,764,646
Administrative expenses		(4,623,828)	(5,458,811)
Operating (loss)/profit	5	(258,820)	305,835
Interest receivable and similar income	9	957	325
Interest payable and expenses	10	(33,982)	(36,859)
(Loss)/profit before taxation		(291,845)	269,301
Tax on (loss)/profit	11	(111,950)	(16,802)
(Loss)/profit for the financial year		(403,795)	252,499
Currency translation difference on foreign currency net investments		28,460	84,373
Other comprehensive income for the year		28,460	84,373
Total comprehensive income for the year		(375,335)	336,872
(Loss)/profit for the year attributable to:			
Owners of the parent Company		(403,795)	252,499
		(403,795)	252,499

There were no recognised gains and losses for 2019 or 2018 other than those included in the consolidated statement of comprehensive income.

The notes on pages 18 to 39 form part of these financial statements.

EDISON GLOBAL LIMITED
REGISTERED NUMBER:08373798

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	13	649,296	414,077
Tangible assets	14	232,729	282,322
		<u>882,025</u>	<u>696,399</u>
Current assets			
Debtors: amounts falling due within one year	16	3,995,460	2,809,542
Cash at bank and in hand	17	1,063,900	1,892,041
		<u>5,059,360</u>	<u>4,701,583</u>
Creditors: amounts falling due within one year	18	(7,227,776)	(6,438,771)
Net current liabilities		<u>(2,168,416)</u>	<u>(1,737,188)</u>
Total assets less current liabilities		<u>(1,286,391)</u>	<u>(1,040,789)</u>
Provisions for liabilities			
Deferred taxation	20	(48,569)	(11,996)
Other provisions	21	(142,989)	(109,325)
		<u>(191,558)</u>	<u>(121,321)</u>
Net liabilities		<u>(1,477,949)</u>	<u>(1,162,110)</u>
Capital and reserves			
Called up share capital	22	16,852	16,852
Share premium account	24	57,959	57,959
Other reserves	24	417,613	358,117
Profit and loss account	24	(1,970,373)	(1,595,038)
Equity attributable to owners of the parent Company		<u>(1,477,949)</u>	<u>(1,162,110)</u>

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

Tom Carless

T E Carless

Director

Date: 19/8/2020

The notes on pages 18 to 39 form part of these financial statements.

EDISON GLOBAL LIMITED
REGISTERED NUMBER:08373798

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	15	1,009,442	949,946
		<u>1,009,442</u>	<u>949,946</u>
Current assets			
Debtors: amounts falling due within one year	16	10,367	10,367
		<u>10,367</u>	<u>10,367</u>
Creditors: amounts falling due within one year	18	(739,720)	(739,720)
Net current liabilities		<u>(729,353)</u>	<u>(729,353)</u>
Total assets less current liabilities		<u>280,089</u>	<u>220,593</u>
Net assets		<u>280,089</u>	<u>220,593</u>
Capital and reserves			
Called up share capital	22	16,852	16,852
Share premium account	24	57,959	57,959
Other reserves	24	309,026	249,530
Profit and loss account	24	(103,748)	(103,748)
		<u>280,089</u>	<u>220,593</u>

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

Tom Carless

T E Carless

Director

Date: 19/8/2020

The notes on pages 18 to 39 form part of these financial statements.

EDISON GLOBAL LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

	Called up share capital	Share premium account	Other reserves/ merger reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 July 2018	16,852	57,959	358,117	(1,595,038)	(1,162,110)
Comprehensive income for the year					
Loss for the year	-	-	-	(403,795)	(403,795)
Foreign exchange translation	-	-	-	28,460	28,460
Total comprehensive income for the year	-	-	-	(375,335)	(375,335)
Share based payment charge	-	-	59,496	-	59,496
At 30 June 2019	16,852	57,959	417,613	(1,970,373)	(1,477,949)

The notes on pages 18 to 39 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

	Called up share capital	Share premium account	Other reserves/ merger reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 July 2017	16,852	57,959	281,164	(1,931,910)	(1,575,935)
Comprehensive income for the year					
Profit for the year	-	-	-	252,499	252,499
Foreign exchange translation	-	-	-	84,373	84,373
Total comprehensive income for the year	-	-	-	336,872	336,872
Share based payment charge	-	-	76,953	-	76,953
At 30 June 2018	16,852	57,959	358,117	(1,595,038)	(1,162,110)

The notes on pages 18 to 39 form part of these financial statements.

EDISON GLOBAL LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Called up share capital	Share premium account	Other reserves/ merger reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 July 2018	16,852	57,959	249,530	(103,748)	220,593
Comprehensive income for the year					
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-
Share based payment charge	-	-	59,496	-	59,496
At 30 June 2019	16,852	57,959	309,026	(103,748)	280,089

The notes on pages 18 to 39 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Called up share capital	Share premium account	Other reserves/ merger reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 July 2017	16,852	57,959	172,577	(35,000)	212,388
Comprehensive income for the year					
Loss for the year	-	-	-	(68,748)	(68,748)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(68,748)	(68,748)
Share based payment charge	-	-	76,953	-	76,953
At 30 June 2018	16,852	57,959	249,530	(103,748)	220,593

The notes on pages 18 to 39 form part of these financial statements.

EDISON GLOBAL LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 £	2018 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(403,795)	252,499
Adjustments for:		
Depreciation of tangible assets	249,806	266,981
Interest paid	33,982	36,859
Interest received	(957)	(325)
Taxation charge	111,950	16,802
(Increase) in debtors	(1,106,357)	(236,822)
Increase in creditors	796,804	844,310
Increase in provisions	33,665	49,769
Corporation tax (paid)/received	(4,619)	25,809
Foreign exchange	(72,689)	-
Net cash generated from operating activities	(362,210)	1,255,882
Cash flows from investing activities		
Purchase of intangible fixed assets	(408,478)	(248,728)
Purchase of tangible fixed assets	(24,428)	(10,212)
Sale of tangible fixed assets	-	282
Interest received	957	325
Net cash from investing activities	(431,949)	(258,333)
Cash flows from financing activities		
Interest paid	(33,982)	(36,859)
Net cash used in financing activities	(33,982)	(36,859)
Net (decrease)/increase in cash and cash equivalents	(828,141)	960,690
Cash and cash equivalents at beginning of year	1,892,041	931,351
Cash and cash equivalents at the end of year	1,063,900	1,892,041
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,063,900	1,892,041

The notes on pages 18 to 39 form part of these financial statements.

EDISON GLOBAL LIMITED

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

1. General information

Edison Global Limited is a limited liability company incorporated in England and Wales. Its registered office is 280 High Holborn, London WC1V 7EE.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

Management have reviewed the amendments made to FRS 102 in the triennial review of the standard issued in 2018 and have concluded that no changes are required to accounting policies.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 July 2014.

EDISON GLOBAL LIMITED

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

2. Accounting policies (continued)

2.3 Going concern

The signing of our financial statements was delayed to enable a full assessment of Covid-19 on the Group's adoption of the going concern basis of preparation of these financial statements. The Group has continued to trade strongly during the initial phase of 'lockdown' however the Directors acknowledge that there remains a great deal of uncertainty as to the future impact of this unprecedented event.

From an operational perspective the production of research content increased through April and May and the readership of our content shows strong growth. Our view is that Covid-19 creates a situation where open and transparent communication to shareholders and potential investors is vital for companies and that Edison's differentiated platform facilitates and enhances this process.

Our investor relations team has successfully transitioned the majority of clients onto digital roadshows while physical distancing measures remain in force. From early March all staff have worked effectively and efficiently from home, and the Board would like to take this opportunity to thank the whole Edison team for successfully meeting the challenges presented by Covid-19. Key aspects of our operation: billing; cash collection; management information; payments to our people and suppliers; client onboarding and engagement have been completed without any significant concerns.

During the initial phases of the global pandemic, the Board commenced a series of mitigating actions designed to strengthen the Group's position:

- Secured a £0.9m Coronavirus Business Interruption Loan from RBS. This loan is approved and expected to be drawn down in October 2020;
- Re-negotiated the terms of our lease with the landlord allowing the quarterly rental payments in April and July totalling £0.3m to be deducted from our rental deposit;
- Deferred one quarters VAT payment under the VAT deferral scheme;
- Furloughed 10 staff saving circa £40k.

The Board is pleased to announce that the Group has suffered no material loss to its retained client base during lockdown and trading for the 4 months to 30 June 2020 shows:

- Following an initial spike in March, renewal rates steadily improved and averaged 84% over the 4 months to 30th June. This is ahead of long term average renewal rates;
- Following a strong March, new business sales struggled before recovering slightly towards the end of June 2020. Sales in the quarter to 30 June closed at £700k, circa 20% down on the 12 month rolling average.
- Over the period the underlying retained contract base increased slightly as new business outstripped client terminations.
- Cash balances remained strong, the Group held circa £2.0m of cash reserves at 30 June 2020.

We have performed a number of downside scenarios to consider the potential impact of Covid-19 on the Group's results, including performing reverse stress testing on our model. In preparing our forecasts, the following key assumptions were used:

- the impact of reduced revenue reflecting a sharp reduction in our retained contract base under a worst case scenario over a protracted 2 year period;
- mitigating cost actions under each scenario reflecting lower transaction volumes and the risk associated with implementing such actions;

EDISON GLOBAL LIMITED

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

2. Accounting policies (continued)

2.3 Going concern (continued)

- known reductions in expenditure associated with changes to business activity while physical distancing measures remain in force. For example, business travel, key conference engagements, client & staff entertaining etc.

Our business planning and mitigating activities are cognisant of the need to retain our core values and provide an exceptional service to our clients. Even under the significant downside scenario comprising our reverse stress testing, we are confident that we can take sufficient mitigation action to ensure that our facilities remain sufficient over the forecast period.

The Board acknowledges that we are living through an unprecedented period of uncertainty. The health and economic emergency created by Covid-19 is compounded by the continued uncertainty over the UK's long term trading relationship with the EU. The full extent of the impact of these events on our Group is unknown and will unwind over several years. The Board is pleased with progress to date and will proceed by adopting a cautious approach in the future. While immediate concerns are allayed through the actions taken to date, the risk of contagion from a protracted recession on our client base is not underestimated. We enter the next phase in a strong position but are mindful that these are unprecedented times.

After consideration of the above and the referred to forecasts for the period beyond a year from the signing of these financial statements, along with the various scenarios contemplated, the directors have concluded that they consider it to be appropriate to continue to prepare the financial statements on a going concern basis.

2.4 Revenue

Turnover comprises revenue recognised by the company in respect of investment research and other associated services supplied during the year, exclusive of Value Added Tax.

Research income is recognised on a straight line basis over the term of the contract. Advance payments by customers are recorded as deferred income. Revenue on ad hoc services is recognised once the services have been delivered and the entity the entity has earned the right to consideration.

2.5 Intangible assets

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

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.6 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.

EDISON GLOBAL LIMITED

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

2. Accounting policies (continued)**2.6 Tangible fixed assets (continued)**

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:

Fixtures and fittings	- 20% to 33%
Computer equipment	- 33%

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 Consolidated statement of comprehensive income.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where the merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.8 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.

2.9 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.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.10 Financial instruments

The Group 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market

EDISON GLOBAL LIMITED

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

2. Accounting policies (continued)**2.10 Financial instruments (continued)**

rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

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

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.11 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.

EDISON GLOBAL LIMITED

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

2. Accounting policies (continued)

2.12 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated statement of comprehensive income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

EDISON GLOBAL LIMITED

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

2. Accounting policies (continued)**2.13 Financial liabilities**

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Financial liabilities within the scope of IAS 39 are initially classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequently, the measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

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 repurchasing in the near term. Derivatives, including separately 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.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Group 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.

Derecognition of financial liabilities

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

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as an exchange or modification, this is treated as a derecognition of the original liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

2.14 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income 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.

EDISON GLOBAL LIMITED

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

2. Accounting policies (continued)**2.15 Dividends**

Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.16 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 July 2017 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.17 Pensions**Defined contribution pension plan**

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

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.18 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.19 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

EDISON GLOBAL LIMITED

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

2. Accounting policies (continued)

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.21 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, 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 reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

EDISON GLOBAL LIMITED

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

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

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Bad debt provision

The group's policy is to provide for all client debt that is older than 120 days unless specific information exists, or is made available, to indicate that the debt will be recovered in full. Such information considered in this process includes any temporary circumstance delaying client payment; client payment plans that are being adhered too; bank confirmation of full or partial payment; or the existence of a future event that will lead to full settlement of the clients account. This policy is based on an analysis of the group's historical bad debt exposure. Specific client risks are also taken into consideration. The policy is subject to review on a regular basis and will be amended if it is considered not to provide a fair and accurate reflection of the risk.

4. Turnover

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	8,942,864	9,226,167
USA	2,748,961	2,859,842
Rest of the world	1,703,449	956,004
	<u>13,395,274</u>	<u>13,042,013</u>

Turnover is wholly attributable to the principal activity of the group.

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	74,023	76,355
Amortisation of intangible assets, including goodwill	173,259	193,094
Exchange differences	37,934	124,063
Other operating lease rentals	401,642	567,121
	<u>686,858</u>	<u>960,633</u>

EDISON GLOBAL LIMITED

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

6. Auditor's remuneration**Fees payable to the Group's auditor and its associates in respect of:**

Auditor's remuneration	51,695	46,000
Auditor's remuneration - non-audit services	25,800	17,500
	<u>77,495</u>	<u>63,500</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2019 £	Group 2018 £
Wages and salaries	6,773,751	7,374,755
Social security costs	738,912	720,773
Cost of defined contribution scheme	217,275	101,399
	<u>7,729,938</u>	<u>8,196,927</u>

The average monthly number of employees, including the directors, during the year was as follows:

2019 No.	2018 No.
99	92
<u>99</u>	<u>92</u>

The Company has no employees other than the directors, who did not receive any remuneration from the Company. Their remuneration from the Group is set out below. (2018 - £NIL)

8. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	623,709	506,925
	<u>623,709</u>	<u>506,925</u>

During the year retirement benefits were accruing to 3 directors (2018 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £152,042 (2018 - £130,093).

EDISON GLOBAL LIMITED

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

9. Interest receivable

	2019 £	2018 £
Other interest receivable	<u>957</u>	<u>325</u>

10. Interest payable and similar expenses

	2019 £	2018 £
Other interest payable	12,000	14,877
Preference share dividends	21,982	21,982
	<u>33,982</u>	<u>36,859</u>

EDISON GLOBAL LIMITED

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

11. Taxation

	2019 £	2018 £
Corporation tax		
UK Corporation tax charge	45,883	15,976
Adjustments in respect of previous periods	(15,976)	(109,575)
	<u>29,907</u>	<u>(93,599)</u>
Double taxation relief	(21,042)	-
	<u>8,865</u>	<u>(93,599)</u>
Foreign tax		
Foreign tax on income for the year	66,512	48,394
Total current tax	<u>75,377</u>	<u>(45,205)</u>
Deferred tax		
Origination and reversal of timing differences	37,817	68,666
Adjustments in respect of prior periods	(1,244)	(6,659)
Total deferred tax	<u>36,573</u>	<u>62,007</u>
Taxation on profit on ordinary activities	<u><u>111,950</u></u>	<u><u>16,802</u></u>

EDISON GLOBAL LIMITED

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

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - *higher than*) the standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%). The differences are explained below:

	2019 £	2018 £
(Loss)/profit on ordinary activities before tax	(291,845)	269,301
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%)	(55,451)	51,166
Effects of:		
Fixed asset differences	1,520	-
Expenses not deductible for tax purposes	100,811	45,085
Foreign tax credits	12,183	15,976
Adjustments to tax charge in respect of prior periods - current tax	(15,976)	(116,234)
Adjustments to tax charge in respect of prior periods - deferred tax	(1,244)	-
Difference in tax rates	(4,450)	(19,295)
Current tax - other	74,557	-
Losses in overseas subsidiaries	-	40,104
Total tax charge for the year	111,950	16,802

12. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent Company for the year was £Nil (2018 - loss £68,748).

EDISON GLOBAL LIMITED

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

13. Intangible assets

Group and Company

	Computer software £
Cost	
At 1 July 2018	1,304,259
Additions	408,478
At 30 June 2019	<u>1,712,737</u>
Amortisation	
At 1 July 2018	890,182
Charge for the year	173,259
At 30 June 2019	<u>1,063,441</u>
Net book value	
At 30 June 2019	<u><u>649,296</u></u>
At 30 June 2018	<u><u>414,077</u></u>

EDISON GLOBAL LIMITED

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

14. Tangible fixed assets

Group

	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation			
At 1 July 2018	591,613	275,421	867,034
Additions	-	24,428	24,428
At 30 June 2019	591,613	299,849	891,462
Depreciation			
At 1 July 2018	344,336	240,374	584,710
Charge for the year on owned assets	53,027	20,996	74,023
At 30 June 2019	397,363	261,370	658,733
Net book value			
At 30 June 2019	194,250	38,479	232,729
At 30 June 2018	247,277	35,047	282,324

EDISON GLOBAL LIMITED

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

15. Fixed asset investments**Company**

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2018	949,946
Additions	59,496
At 30 June 2019	<u><u>1,009,442</u></u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of Incorporation	Principal activity	Class of shares	Holding
Edison Investment Research Limited	England and Wales	Investment research	Ordinary 'A'	100%
Edison Investment Research Inc.	USA	Investment research	A Ordinary	100%
Edison Investment (NZ) Limited	New Zealand	Investment research	A Ordinary	100%
Edison Investment Pty Limited	Australia	Investment research	Ordinary	100%
Edison Investment Research (Israel) Limited	Israel	Investment research	Ordinary	100%

EDISON GLOBAL LIMITED

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

16. Debtors

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade debtors	2,293,749	1,177,340	-	-
Corporation tax repayable	192,130	112,569	-	-
Other debtors	868,079	759,723	2,200	2,200
Prepayments and accrued income	641,502	759,910	-	-
Deferred taxation	-	-	8,167	8,167
	3,995,460	2,809,542	10,367	10,367

As impairment loss of £470,675 (2018: £444,180) was recognised against trade debtors.

17. Cash and cash equivalents

	Group 2019 £	Group 2018 £
Cash at bank and in hand	1,063,900	1,892,041
	1,063,900	1,892,041

18. Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade creditors	1,034,165	814,917	-	-
Amounts owed to group undertakings	-	-	731,921	728,620
Corporation tax	94,010	34,631	-	-
Other taxation and social security	214,318	277,255	-	-
Other creditors	76,882	21,079	-	-
Accruals and deferred income	5,588,580	5,071,068	7,799	11,100
Preference shares classified as a liability	219,821	219,821	-	-
	7,227,776	6,438,771	739,720	739,720

EDISON GLOBAL LIMITED

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

19. Financial instruments

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>1,063,900</u>	<u>3,025,368</u>	<u>2,200</u>	<u>2,200</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(2,963,827)</u>	<u>(2,672,234)</u>	<u>-</u>	<u>-</u>

20. Deferred taxation

Group

	2019 £	2018 £
At beginning of year	(11,996)	50,011
Charged to profit or loss	(36,573)	(62,007)
At end of year	<u>(48,569)</u>	<u>(11,996)</u>

The provision for deferred taxation is made up as follows:

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Accelerated capital allowances	<u>(48,569)</u>	<u>(11,996)</u>	<u>8,167</u>	<u>8,167</u>
	<u>(48,569)</u>	<u>(11,996)</u>	<u>8,167</u>	<u>8,167</u>

EDISON GLOBAL LIMITED

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

21. Provisions

Group

	Holiday pay provision £
At 1 July 2018	109,325
Utilised in year	(109,325)
Charged to profit or loss	142,989
At 30 June 2019	142,989

22. Share capital

	2019 £	2018 £
Shares classified as equity		
Allotted, called up and fully paid		
332,027 (2018 - 16,852) Ordinary B shares of £0.05 each	16,852	16,852
	<hr/>	<hr/>
	2019 £	2018 £
Shares classified as debt		
Allotted, called up and fully paid		
219,821 (2018 - 219,821) Preference shares of £1.00 each	219,821	219,821
	<hr/>	<hr/>

EDISON GLOBAL LIMITED

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

23. Share options

Edison Global Limited operates an EMI share option scheme available to employees (of its subsidiaries) meeting specific qualifying criteria. In the previous scheme was cancelled and replaced by a new scheme in which a total of 117,615 options were granted over B ordinary shares of £0.05p each. During 2018 3,850 options were issued and 16,225 options lapsed due to option holders ceasing their employment in their period. No options were issued or exercised during the current year: 2,849 options lapsed in the year. The exercise price of all of the options granted is £14.50 (2018: £14.50) to be settled in cash.

The options may be exercised by an option holder upon the occurrence of an 'Exit Event'. The 'Exit Event' is defined as a disposal, listing or share sale or such other events as the directors may determine to be an 'Exit Event'. The options have been issued in 4 tranches, each with specific vesting criteria. In order for any option to vest, the above noted 'Exit Event' has to occur.

In order to assess the fair value of the options issued in the period, the Black-Scholes Option Pricing Model was used. Within the model, the following input variables and assumptions were used:

- A weighted average share price of £14.50;
- An exercise price of £14.50;
- Volatility of 15% based on the VIX volatility index;
- Option life of 4 years;
- No dividend – due to the fact that the shares are only exercisable on an 'Exit Event' and will therefore not qualify for a dividend until after such an event;
- Risk free interest rate of 1%;
- Given the vesting criteria are based on multiple performance conditions, it was deemed appropriate to assume that only options granted under Tranche 1 and Tranche 2 would vest during the expected life of the option.

The total expense recognised in the year was £59,496 in respect of the scheme (2018: £76,953).

24. Reserves**Share premium account**

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Other reserves

Includes the share option reserve and merger reserve.

Profit and loss account

Includes all current and prior period retained profits and losses.

EDISON GLOBAL LIMITED

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

25. Commitments under operating leases

At 30 June 2019 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	<i>Group 2018 £</i>
Within 1 year	507,575	<i>507,575</i>
Between 2 and 5 years	1,268,938	<i>1,776,513</i>
	<u>1,776,513</u>	<i><u>2,284,088</u></i>

26. Post balance sheet events

Following the year end, the escalation of the initially geographically isolated incidences of Covid-19 to the level of being declared a global pandemic have impacted the macro economic environment and therefore the group's trading activity. The Group has continued to trade strongly during the initial phase of 'lockdown' however the Directors acknowledge that there remains a great deal of uncertainty as to the future impact of this unprecedented event. Due to that ongoing uncertainty it is not possible to forecast accurately the quantum of any financial impact of Covid-19 on the group's performance.

27. Controlling party

The shareholders consider themselves to be the controlling related party in aggregate as no shareholder or shareholders control the company in their own right.

EDISON GLOBAL LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2019**

28. Related party transactions

The company has taken advantage of the exemption conferred by FRS102 not to disclose transactions with its wholly owned subsidiaries.

Other related party transactions were as follows:

The Investor Relations Society

The Investor Relations Society is a related party as a result of common director, F C Thorne. During the year £2,096 was invoiced from the Investor Relations Society. There was no balance outstanding at year end.

Gullane Consulting Limited

Gullane Consulting Ltd is a related party as a result of a common director, S R McKenzie, with Edison Investment Research Ltd's ultimate parent undertaking Edison Global Ltd. During the current year £16,374.84 was invoiced from Gullane Consulting Ltd for non executive director's fees and travel expenses. At year end there was a balance owing to Gullane Consulting Ltd of £1,200 (2018: £1,200).

Tom Teichman

Tom Teichman was appointed as a non-executive director of Edison Global Ltd on May 9th 2016. During the current year no fees invoice was received from Tom Teichman. An accrual of £3,300 is included in the accounts for the months May and June 19. The period prior was billed in the financial year before (2018). An expense claim was submitted for £1,579 in June 19, which was outstanding at our year end.

Key management personnel are the directors and their remuneration is disclosed in note 8 of the financial statements.
