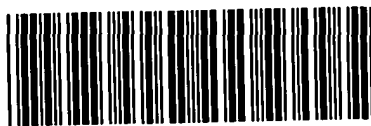


**REDI TECHNOLOGIES LTD**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**REGISTERED NUMBER: 08299297**

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REDI TECHNOLOGIES LTD

**Company Information**  
**for the year ended 31 December 2022**

**DIRECTORS:**

Leigh Bernard Henson  
Richard Bateson

**SECRETARY:**

Carla O'Hanlon

**REGISTERED OFFICE:**

Five Canada Square  
Canary Wharf  
London  
E14 5AQ  
England

**REGISTERED NUMBER:**

08299297 (England and Wales)

**BANK:**

Citibank N.A. London  
Citigroup Centre  
33 Canada Square  
London E14 5LB  
England

**AUDITOR:**

Ernst & Young LLP  
25 Churchill Place  
Canary Wharf  
London E14 5EY  
United Kingdom

REDI TECHNOLOGIES LTD

## **Directors' Report as at 31 December 2022**

The directors present their report with the audited financial statements of the Company for the year ended 31 December 2022.

### **DEFINITIONS**

As used in the annual report, "the Group", "LSEG" refer to LSEG Group and its subsidiary undertakings, including joint ventures and associates. "The Company" refers to REDI Technologies Ltd (REDI).

### **DIRECTORS**

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Leigh Bernard Henson

Richard Bateson

### **SECRETARY**

O'Hanlon, Carla

### **REVIEW OF BUSINESS**

The Company generates usage-based revenue by charging connectivity fees to brokers to facilitate the flow of execution requests from users of the REDI+ application, a multi-asset electronic trading platform that services both the buy-side and sell side communities. These connectivity fees vary by region and may be based on a fixed monthly amount or by a transaction fee by asset class based on quantity or notional value traded (as of the end of 2021 the Company no longer charges transaction fees). The Company also collects subscription fees for certain terminal entitlements and recovery fees for the exchanges data feed.

The Company primarily provides service to clients in Europe, Middle East and Africa and overlapping coverage for Asia and America.

The Company receives marketing support, transactional and technology services from other affiliates in the Group for which it pays monthly fees in accordance with relevant agreements.

A change in business model within the Europe, Middle East and Africa (EMEA) client base has seen a usage revenue decline and a revenue move from REDI Technologies Ltd to Refinitiv Limited ("the Parent company"). 2022 Turnover of \$2.42m is \$0.04m or 1.5% higher than 2021 results of \$2.38m. Usage revenue has declined in 2022 compared with 2021 (\$0.02m or 2.2%), partly due to the full year impact of re-negotiating all transactional contracts to fixed rates in anticipation of requesting the FCA to de-regulate the Company. Additionally, a number of smaller regional brokers have chosen to consolidate connectivity with another Refinitiv network (Autex Trade Route) and are contracted and billed from their Refinitiv local entity similar to the Eikon revenue. The subscription revenue continued to decline (\$0.02m or 3.9%) as new customers are accessing REDI through their Eikon terminals instead of the stand-alone REDI terminal. The revenues for Eikon are recognized outside REDI as they are contracted and billed from their Refinitiv local entity resulting in the reduction of subscription revenue. Recovery revenues increased (\$0.08m or 12.6%) as terminal users maintain access to exchange data.

Management monitors the Company's revenue results on a monthly basis versus plan, prior month and prior year results in order to identify adverse trends in revenue, client counts, and node growth. Additionally, management monitors the Company's volumes versus relevant markets (US, International, Options and Futures markets) and the VIX volatility index.

### **FUTURE DEVELOPMENT**

The directors do not envisage any changes to the nature of the business in the foreseeable future.

## Directors' Report (continued)

### FINANCIAL INSTRUMENTS

#### Objectives and policies

The Company's operations expose it to a variety of financial risks. The management of financial risks is undertaken at a Group level. The Groups overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Groups financial performance. More details of the Groups risk management programme can be found in the LSEG Annual Report 2022.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and cash flow interest rate risk.

#### Currency risk

Foreign exchange risk arises from cash flows relating to commercial transactions and recognised assets and liabilities. Transaction exposure occurs when the Company receives or pays cash in a currency different from US dollars, the functional currency of the entity. The majority of Company's transactions are recorded in the functional currency and therefore this risk is not considered as high.

#### Credit risk

The Company is exposed to concentrations of credit risk. Trade debtors are concentrated in the financial institutions sector. The credit risk exposure is mitigated by following policies on know-your customer and cash collection processes, including monitoring outstanding debt and lodging claims in case of client is in liquidation. The maximum exposure to credit risk at 31 December 2022 was as follows: trade debtors \$530,528 (2021: \$301,199), amounts owed by Group undertakings \$1,111,579 (2021: \$1,027,949), and cash \$229,808 (2021: \$178,183).

#### Cash flow risk

The Company's interest rate risk arises from interest-bearing assets. Amounts owed by Group undertakings subject to variable rates expose the Company to cash flow interest rate risk, which is the risk that future cash flows will fluctuate because of changes in market interest rates. To minimise this exposure, the majority of the Company's amounts owed by Group undertakings have been interest free since 13 January 2017 and, as such, this risk is not considered as material for the Company.

### ASSESSMENT OF ENTITY'S GOING CONCERN

The Directors have reviewed Company's performance and critical accounting estimates and judgements for the Company, taking into account Company's forecasts and projections.

On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### STRATEGIC REPORT

In accordance with section 414B of the Company Act 2006 (Strategic report and Directors' Report) Regulations 2013, the Company has taken the exemption not to prepare a strategic report as the Company qualifies as a small company in accordance with section 382 of the Company Act 2006. In the current and prior years, the Company's turnover was not more than £10,200,000, the number of employees was not more than 50 and its balance sheet was not more than £5,100,000.

### FINANCIAL RESULTS AND DIVIDENDS

The Company's profit for the financial year was \$58,737 (2021: loss \$174,625).

No dividends were paid in 2022 (2021: \$Nil).

REDI TECHNOLOGIES LTD

## Directors' Report (continued)

### DIRECTORS' IDEMNITY INSURANCE

There are no indemnities in place for the directors. London Stock Exchange Group PLC has a Directors' & Officers' Liability Insurance Policy in place for the Group.

### POLITICAL DONATIONS

During the year the Company made £Nil (2021: \$Nil) political donations.

### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

### AUDITORS

Ernst & Young LLP have expressed their willingness to continue in office as auditors. They are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### POST BALANCE SHEET EVENTS

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were issued and determined that there were no such events requiring recognition or disclosure in the financial statements.

### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

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

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable, relevant and reliable; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Approved for the issue by the Board of Directors and signed on its behalf

DocuSigned by:

*Richard Bateson*

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Richard Bateson - Director

23 August 2023

REDI TECHNOLOGIES LTD

## **Independent auditors' report to the members of REDI Technologies Ltd**

### **Opinion**

We have audited the financial statements of REDI Technologies Ltd (the 'Company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Profit/(Loss), the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 11, 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2022 and of its profit 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.

### **Conclusions relating to going concern**

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

**REDI TECHNOLOGIES LTD**

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of 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 directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. 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.



REDI TECHNOLOGIES LTD

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are the reporting framework (UK Accounting Standards including FRS 101, and the Companies Act 2006) and the tax legislation (governed by HM Revenue and Customs).
- We understood how the Company is complying with those frameworks by making inquiries of management and seeking representation of those charged with governance. We corroborated our inquiries through review of board meeting minutes.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the impact of improper recognition of revenue in accordance with the non-standard terms present in subscription revenue agreements and management override of controls. We considered the controls that the Company has established to address risks identified by the Company, or that otherwise seek to prevent, deter or detect fraud.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiries of management and those responsible for legal and compliance matters for their awareness of any non-compliance with laws and regulations, inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees; inquiring about the Company's methods of enforcing and monitoring compliance with such policies; reviewing board minutes; performing journal entry testing; and by seeking representation from those charged with governance.

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

**Use of our report**

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

DocuSigned by:

*Ernst & Young LLP*

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Cassandra Polegri (Senior statutory auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
United Kingdom

23 August 2023

## REDI TECHNOLOGIES LTD

**Statement of Comprehensive Profit/(Loss)  
for the year ended 31 December 2022**

|   | Note | 2022<br>\$            | 2021<br>\$       |
|---|------|-----------------------|------------------|
| <b>Turnover</b>                             | 3    | <b>2,420,892</b>      | 2,385,803        |
| Cost of sales                               |      | <b>(2,283,263)</b>    | (2,221,408)      |
| <b>Gross profit</b>                         |      | <u><b>137,629</b></u> | <u>164,395</u>   |
| Administrative expenses                     |      | <b>(69,628)</b>       | (340,011)        |
| <b>Profit/(Loss) before taxation</b>        | 4    | <u><b>68,001</b></u>  | <u>(175,616)</u> |
| Tax (charge)/credit                         | 5    | <b>(9,264)</b>        | 991              |
| <b>Profit/(Loss) for the financial year</b> |      | <u><b>58,737</b></u>  | <u>(174,625)</u> |

The results for current and prior years above are derived from continuing operations.

The Company has no other comprehensive income for the year other than the results above, so no separate statement of other comprehensive income is presented.

## REDI TECHNOLOGIES LTD

# Statement of Financial Position as at 31 December 2022

|  | Note | 2022<br>\$            | 2021<br>\$            |
|--|------|-----------------------|-----------------------|
| <b>Non-current assets</b>                    |      |                       |                       |
| Deferred tax asset                           | 6    | <u>55,830</u>         | <u>56,344</u>         |
| <b>Total non-current assets</b>              |      | <b>55,830</b>         | <b>56,344</b>         |
| <b>Current assets</b>                        |      |                       |                       |
| Debtors: amounts falling due within one year | 7    | <u>1,642,107</u>      | <u>1,329,148</u>      |
| Cash at bank                                 |      | <u>229,808</u>        | <u>178,183</u>        |
| <b>Total current assets</b>                  |      | <b>1,871,915</b>      | <b>1,507,331</b>      |
| <b>Creditors</b>                             |      |                       |                       |
| Amounts falling due within one year          | 8    | <u>(1,098,137)</u>    | <u>(792,804)</u>      |
| <b>Net current assets</b>                    |      | <b>773,778</b>        | <b>714,527</b>        |
| <b>Net assets</b>                            |      | <b><u>829,608</u></b> | <b><u>770,871</u></b> |
| <b>Capital and reserves</b>                  |      |                       |                       |
| Called up share capital                      | 9    | <u>61,646</u>         | <u>61,646</u>         |
| Capital contributions                        |      | <u>3,332,235</u>      | <u>3,332,235</u>      |
| Profit and loss account                      |      | <u>(2,564,273)</u>    | <u>(2,623,010)</u>    |
| <b>Total equity</b>                          |      | <b><u>829,608</u></b> | <b><u>770,871</u></b> |

The notes on pages 12 to 17 are an integral part of these financial statements.

The financial statements of REDI Technologies Ltd. (the Company number 08299297) on pages 9 to 17 were approved by the directors on 23 August 2023 and were signed by:

DocuSigned by:

*Richard Bateson*

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Richard Bateson - Director

## REDI TECHNOLOGIES LTD

**Statement of Changes in Equity  
for the year ended 31 December 2022**

|                                    | <b>Called up<br/>Share capital</b> | <b>Capital<br/>Contributions</b> | <b>Profit and<br/>Loss account</b> | <b>Total<br/>Equity</b> |
|------------------------------------|------------------------------------|----------------------------------|------------------------------------|-------------------------|
|                                    | <b>\$</b>                          | <b>\$</b>                        | <b>\$</b>                          | <b>\$</b>               |
| Balance at 1 January 2022          | 61,646                             | 3,332,235                        | (2,623,010)                        | 770,871                 |
| Profit for the financial year      | -                                  | -                                | 58,737                             | 58,737                  |
| <b>Balance at 31 December 2022</b> | <b>61,646</b>                      | <b>3,332,235</b>                 | <b>(2,564,273)</b>                 | <b>829,608</b>          |
| Balance at 1 January 2021          | 61,646                             | 3,332,235                        | (2,448,385)                        | 945,496                 |
| Loss for the financial year        | -                                  | -                                | (174,625)                          | (174,625)               |
| <b>Balance at 31 December 2021</b> | <b>61,646</b>                      | <b>3,332,235</b>                 | <b>(2,623,010)</b>                 | <b>770,871</b>          |

## Notes to the Financial Statements

### DEFINITIONS

As used in these financial statements, "the Group" and "LSEG" refer to London Stock Exchange Group PLC and its subsidiary undertakings, including joint ventures and associates. The "Company", "REDI" refer to REDI Technologies Ltd.

### 1. GENERAL INFORMATION

The Company is a private company limited by shares incorporated in England and Wales and its registered address is Five Canada Square, Canary Wharf, London E14 5AQ, England.

The Company's principal activity is operating a multi-asset electronic trading platform that services both the buy-side and sell-side communities, routing an investor's order to broker-dealer for purposes of executing and settling transactions.

### 2. ACCOUNTING POLICIES

#### BASIS OF PREPARATION

These financial statements are prepared in accordance with the Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and the Company Act 2006. The financial statements for previous year were prepared under FRS 102 and the Company has adopted FRS 101 during the year.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK ("UK- adopted international accounting standards"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In the transition to FRS 101, the Company has applied IFRS 1 *"First-time Adoption of International Financial Reporting Standards"* whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. The transition to FRS 101 has no impact on the reported financial position and financial performance of the Company for both 2022 and 2021.

The principal accounting policies applied in the preparation of these financial statements are set out below.

#### SUMMARY OF DISCLOSURE EXEMPTIONS

The Company meets the definition of a qualifying entity under FRS 101 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of the Company's ultimate parent undertaking, LSEG. Copies of LSEG financial statements can be found on the companies website ([www.lseg.com](http://www.lseg.com)) under Investor relations section.

In these financial statements, The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- IAS 7 "Statement of Cash Flow" and related notes;
- Reduced IFRS 2 disclosure for share-based payment arrangements in a subsidiary's financial statements;
- IAS 8 the listing of new or revised standards that have not been adopted (and information about their likely impact) may be omitted;
- Reduced IAS 36 disclosure of impairment reviews;
- Reduced IFRS 3 disclosure for business combinations during and after the period;
- Reduced IFRS 5 disclosure for discontinued operations;
- Reduced IFRS 7 disclosure for financial instruments;
- Reduced IFRS 13 disclosure relating to fair value measurement;
- IAS 24 related party disclosures for intra-group transactions and disclosure of key management compensation;
- IAS 1 the requirement to present comparatives in roll-forward reconciliations for movements on share capital, property, plant and equipment, intangible assets and investment property;
- Reduced IAS 1.134-1.136 disclosure on capital management;
- Reduced disclosure for IFRS 15 "Revenue from Contracts with Customers";
- Reduced disclosure for IFRS 16 "Leases".

**REDI TECHNOLOGIES LTD**

**Notes to the Financial Statements**

The following amendments were endorsed by the International Accounting Standard Board during the year and have been adopted in these financial statements:

- Amendments to IFRS 3 Business Combinations: reference to the Conceptual Framework;
- Amendments to IAS 16 Property, Plant and Equipment: proceeds before intended use;
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: onerous contracts - cost of fulfilling a
- Annual Improvements to IFRS 2018-2020

**EXEMPTION FROM STRATEGIC REPORT AND SECTION 172 INFORMATION**

The Company has taken advantage of the exemption available under Section 414B of the Company Act 2006 from the requirement to prepare the strategic report and Section 172 related information.

**GOING CONCERN**

The Directors have reviewed Company's performance and critical accounting estimates and judgements for the Company, taking into account Company's forecasts and projections.

On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**Turnover**

The Company recognises revenue when (or as) it satisfies a performance obligation.

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from usage services and products is accounted for on a trade date basis, whilst subscription based turnover and recoveries are recorded as earned. Revenue from usage service is recognised after the service is rendered and invoice issued. Revenue from subscription service and recoveries is recognised on accrual basis in line with the period the service is provided for.

**Cost of sales**

Cost of sales represents transfer pricing fees payable to the fellow group companies. The fees are recognised in line with the turnover and expenses recorded by the Company in the year.

**Debtors**

Trade and other debtors are initially recognised at fair value, which is the original amount to the customers and subsequently measured at amortised cost, less any allowance for expected credit losses (ECL). The ECLs for trade and other debtors are calculated using the simplified approach of the lifetime ECL. The simplified approach is based on historic experience of collection rates, adjusted for forward looking factors specific to each counterparty and the economic environment at large to create an expected loss matrix. The carrying amount of the asset is reduced through the use of an allowance account for ECL and the amount of the loss is recognised in the income statement. Subsequent recoveries of the amounts previously written off are credited in the income statement. The general approach and policies are applied for intercompany debt.

**Cash and cash equivalents**

Cash and cash equivalents includes deposits held at call with banks.

**Provisions**

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

## Notes to the Financial Statements

### Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### Foreign currencies

The Company's functional and presentational currency is USD.

Monetary assets and liabilities in foreign currencies are translated into US dollars at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into US dollar at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

### Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through other comprehensive income, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## REDI TECHNOLOGIES LTD

**Notes to the Financial Statements****Offsetting**

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

**Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Significant judgements and estimation uncertainty**

There are no critical accounting judgements and estimation uncertainty in the Company. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**3. TURNOVER**

|                               | 2022             | 2021             |
|-------------------------------|------------------|------------------|
|                               | \$               | \$               |
| <b>By geographical market</b> |                  |                  |
| Europe, Middle East & Africa  | 2,009,867        | 2,061,348        |
| Americas                      | 287,976          | 231,180          |
| Asia                          | 123,049          | 93,275           |
|                               | <u>2,420,892</u> | <u>2,385,803</u> |
| <b>By category</b>            |                  |                  |
| Usage revenue                 | 1,082,812        | 1,106,815        |
| Subscription revenue          | 595,979          | 620,115          |
| Recoveries                    | 742,101          | 658,873          |
|                               | <u>2,420,892</u> | <u>2,385,803</u> |

**4. OPERATING PROFIT**

The operating profit is stating after charging:

|  | 2022     | 2021    |
|--|----------|---------|
|  | \$       | \$      |
| Impairment of intangible assets  | -        | 151,667 |
| Foreign exchange expense   | (12,755) | (1,200) |
| Amortisation of intangible assets  | -        | 70,000  |
| Fees payable to the auditor for the audit of the Company's annual accounts | 79,114   | 82,214  |

REDI Technologies Ltd. does not employ staff (2021: Nil).

The directors did not receive any emoluments in respect of their services to the Company (2021: \$Nil).

**5. TAX CHARGE/(CREDIT)**

Tax expense included in loss on ordinary activities:

|   | 2022         | 2021         |
|---|--------------|--------------|
|   | \$           | \$           |
| <b>Current tax:</b>                               |              |              |
| Adjustment in respect of prior periods            | 8,750        | -            |
| <b>Total current tax</b>                          | <u>8,750</u> | <u>-</u>     |
| <b>Deferred tax:</b>                              |              |              |
| Origination and reversal of temporary differences | 12,181       | 8,750        |
| Adjustment in respect to prior years              | (10,579)     | -            |
| Impact of changes in tax rate                     | (1,088)      | (9,741)      |
| <b>Total deferred tax</b>                         | <u>514</u>   | <u>(991)</u> |
| <b>Tax (charge)/credit on profit/(loss)</b>       | <u>9,264</u> | <u>(991)</u> |



## REDI TECHNOLOGIES LTD

**Notes to the Financial Statements**

The income statement tax charge for the year differs from the standard rate of corporation tax in the UK of 19% (19% for the year ended 31 December 2021) as explained below.

|   | 2022<br>\$          | 2021<br>\$          |
|---|---------------------|---------------------|
| Profit/(loss) before taxation   | <u>68,001</u>       | <u>(175,616)</u>    |
| Profit/(loss) multiplied by standard rate of tax in the UK of 19.0% (2021: 19%) | 12,920              | (33,367)            |
| Effects of:   |                     |                     |
| Expenses not deductible for tax purposes  | (739)               | 42,117              |
| Adjustments to tax charges in respect of prior years                            | (1,829)             | -                   |
| Impact of change in tax rate  | (1,088)             | (9,741)             |
| <b>Total tax charge/(credit)</b>  | <u><b>9,264</b></u> | <u><b>(991)</b></u> |

An increase in the UK Corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. The deferred tax asset at 31 December 2022 has been calculated based on these rates, reflecting the expected timing of the reversal of the related temporary difference.

**6. DEFERRED TAX**

The provision for deferred tax consists of the following deferred tax asset:

|   | 2022<br>\$           | 2021<br>\$           |
|---|----------------------|----------------------|
| Deferred tax asset as 1 January           | 56,344               | 55,353               |
| Deferred tax (charge)/credit for the year | <u>(514)</u>         | <u>991</u>           |
| Deferred tax asset at 31 December         | <u><b>55,830</b></u> | <u><b>56,344</b></u> |

**7. DEBTORS**

|                                      | 2022<br>\$              | 2021<br>\$              |
|--------------------------------------|-------------------------|-------------------------|
| Amounts falling due within one year: |                         |                         |
| Trade debtors                        | 530,528                 | 301,199                 |
| Amounts owed by group undertakings   | <u>1,111,579</u>        | <u>1,027,949</u>        |
|                                      | <u><b>1,642,107</b></u> | <u><b>1,329,148</b></u> |

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand. Provision for impairment on Amounts owed by group undertakings is \$Nil (2021: \$Nil). Trade debtors are stated after provisions for impairment of \$9k (2021: \$10k).

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 2022<br>\$              | 2021<br>\$            |
|------------------------------------|-------------------------|-----------------------|
| Amounts owed to parent company     | 296,729                 | 120,153               |
| Amounts owed to group undertakings | 624,253                 | 481,260               |
| Other creditors                    | 84,921                  | 101,031               |
| VAT Payable                        | 3,375                   | (5,029)               |
| Accruals                           | <u>88,859</u>           | <u>95,389</u>         |
|                                    | <u><b>1,098,137</b></u> | <u><b>792,804</b></u> |

Amounts due to group undertakings are unsecured, interest free and are repayable on demand. Group relief payable of \$8,750 is included in Amounts owed to group undertakings.

## REDI TECHNOLOGIES LTD

**Notes to the Financial Statements****9. CALLED UP SHARE CAPITAL**

|                                  |                       |               |               |
|----------------------------------|-----------------------|---------------|---------------|
| Allotted, issued and fully paid: |                       | <b>2022</b>   | <b>2021</b>   |
| <b>Number:</b>                   | <b>Class Nominal:</b> | <b>\$</b>     | <b>\$</b>     |
| 50,100                           | Ordinary £1           | <b>61,646</b> | <b>61,646</b> |

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

**10. POST BALANCE SHEET EVENTS**

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were issued and determined that there were no such events requiring recognition or disclosure in the financial statements.

**11. ULTIMATE PARENT AND CONTROLLING COMPANY**

As at 31 December 2022, the Company's immediate parent Company remains Refinitiv Limited. Within the meaning of the CA2006, London Stock Exchange Group plc. (LSEG) is regarded by the Directors of the Company as being the Company's ultimate parent Company and controlling party. LSEG is incorporated under the laws of England and Wales with registered address at 10 Paternoster Square, London EC4M 7LS.