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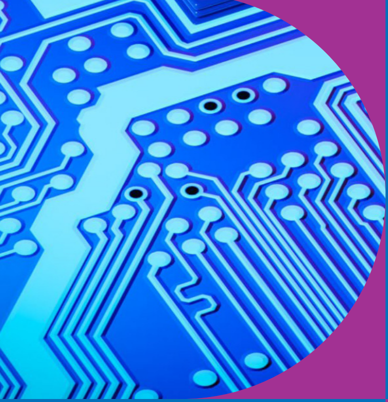

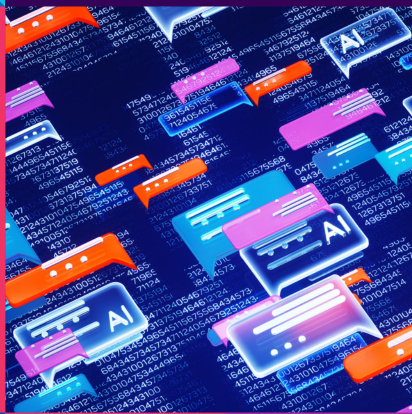

Innovation for continued success

Empowering your business with advanced technology

Rosslyn Data Technologies plc
Annual Report and Accounts 2024

We are Rosslyn

From some of the world's largest retailers to global consultancies, our ever-evolving platform serves as a single source of truth for our customers' procurement teams – providing actionable spend intelligence with insights from across the supply chain.

Highlights

Launched new AI-powered classification solution – now live with four customers.

ARR
£2.3m
2023: £2.4m

New contracts won with a blue-chip European med-tech company and international transport consultancy.

Revenue
£2.9m
2023: £3.0m

Raised
£3.3m
gross during the year and £3.4m post period

Implemented key operational enhancements to drive margin improvement.

Gross margin
38.8%
2023: 34.7%

Secured, post period, a major new client that is a leading global technology company and household name.

Adj. EBITDA loss
£2.5m
2023: £2.0m

* A reconciliation of adjusted EBITDA loss can be found in the CFO's review on page 14

Delivering insight across the supplier lifecycle

Rosslyn removes barriers to spend visibility, insight, and intelligence, enabling procurement teams to make data-driven decisions that save money, mitigate risk and improve working capital.

Our easy-to-use SaaS platform incorporates a real-time procurement data lake that blends internal & external data to provide customers with spend intelligence. Key features include:

Automated extraction and refresh

We make getting the data easy. Our Extract Studio and Refresh Hub orchestrate the acquisition and refresh of data, providing continuous insights.

Generative AI powered classification

Our solution leverages cutting-edge generative AI to automatically classify data with easy-to-use self-service tools if it ever needs updating – enabling customers to easily see their data in their own category structure.

Out-the-box insights and reports

We allow our customers to easily dive into the data or build custom charts and dashboards via out-of-the-box reporting – to highlight maverick spend, low value invoices or tail spend.

Read more about unlocking the power of AI **on pages 10 to 13**

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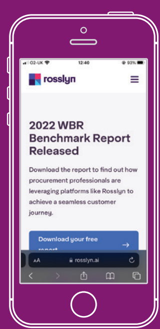
Find out more

For the latest news and information on our Company visit us online.

www.rosslyn.ai



Chairman's statement

Over the last two years we have fundamentally transformed our business.

This time last year, we had reset our strategy to focus on a single, SaaS-based product; adopted a new partner-led go-to-market approach; rebranded; established a fit-for-purpose Customer Success function; commenced exploring the innovation opportunities surrounding artificial intelligence ("AI"); and had just completed a fundraising to enable us to commence executing on our new strategy. I am pleased to now be reporting the significant progress that we have made subsequently to deliver on that strategy and validate its effectiveness.

The key development is what we have achieved with regards to our AI offering. We created, alongside our key customers, an AI-powered solution for the automated classification and categorisation of procurement data. A successful proof-of-concept was conducted during the year which, after further development and refinement, became operational at the end of the year. This was a significant milestone for Rosslyn and, as Paul discusses in the Chief Executive Officer's review, marks our transition to focusing on 'spend intelligence' – which goes beyond spend analytics or data visualisation.

JAMES APPLEBY
Chairman

We are pleased to have completed a fundraising, post year end, that will help us continue to execute on this strategy and, importantly, enable us to reach profitability.

This activity was also pivotal to us securing a three-year contract, worth a minimum of £2m, with one of the world's largest technology companies. While the contract was signed post year end, it followed an extensive tender process that occurred during the year, and is of significant commercial and strategic value and offers substantial growth potential. This major client win is an important validation of our AI strategy, which was a key factor in determining the outcome of the competitive tender process – and which is further demonstrated by the customer also deciding to engage in, and fund, a co-innovation partnership with us for the development of next-generation technology, including AI elements, to enhance our platform.

Our adoption of a partner-led go-to-market approach has been advanced through embedding our partnership with ChainIQ, which is now poised to deliver significant growth in the coming year. In addition, we are in advanced negotiations to form a major partnership with one of the world's top 5 largest consulting firms, which represents a further transformational opportunity.

Alongside these strategic initiatives, we have taken steps to improve our operating model. A key element of this is the work we have undertaken to enhance the efficiency of our platform, which will drive cost savings going forward. We also took the decision to focus on quality of revenues and to prioritise sustainable growth. With these measures, among others, and combined with our increasing pipeline, we are on track to achieve positive adjusted EBITDA and cash generation on a monthly basis from later this financial year and for the full year from FY 2026.

As we have said previously, there are multiple market factors that are driving the increasing demand for advanced solutions such as ours – and these factors have only become more pronounced. Geopolitical conflict is causing substantial global supply chain disruption, which requires real-time procurement intelligence to enable agile decision-making and reduce risk. The drive to incorporate additional considerations into procurement decisions – in particular, ESG factors such as sustainability and diversity – is showing no sign of abating. The emergence of AI and its transformative potential has raised awareness of the lack of visibility and usability of the procurement data sat across an organisation, which can be across multiple ERP systems, with inconsistent input methods and source formats. For procurement to be able to leverage the power of AI, this data needs to be accessible and of a quality that can be interrogated and trusted – which is the basis of our new AI offering, the Rosslyn Artificial Intelligence Classification Engine. Furthermore, this is against a backdrop of underinvestment in procurement technology as spend analytics as has previously been addressed as a one-off project run by large consulting organisations.

The Rosslyn solution to these requirements is a SaaS platform that incorporates a real-time procurement data lake that blends internal and external data to provide customers with spend intelligence to not only generate savings but to support strategic initiatives and reduce risk. As we discuss elsewhere in this annual report, we have already made significant progress towards achieving this – and we are pleased to have undertaken a fundraising, post year end, that will help us continue to execute on this strategy and, importantly, enable us to reach profitability. On behalf of the Board, I would like to thank our existing shareholders who contributed to the fundraising and welcome our new shareholders who have joined the register. I would also like to express my gratitude to our executive team, my fellow Board members and to our employees for their support and commitment throughout the process.

Accordingly, we remain confident in our prospects and our ability to generate shareholder value and we look forward to reporting on our progress.

James Appleby
Chairman
28 October 2024

Our business

1. Our mission & values

Rosslyn's success has a simple mission — to innovate data analytics in the interconnected world of procurement.

We accomplish this by going far beyond where traditional software and services companies stop, delivering a powerful blend of data diligence, restless innovation, and personal partnership.

2. We have curious minds and are entrepreneurs at heart

We're driven to find better ways to help our customers and peers. Every new challenge is an opportunity to learn something valuable. We'll never stop looking for more efficient and powerful ways to improve ourselves.

3. We go the extra mile every time

We always strive to better help organisations build resiliency for future challenges. That's why we'll always challenge ourselves to be better, do better, and dare to be different.

4. We believe in delivering tangible results

We exist to make our customers successful. Together, we think and function as one team, and even though we come from many parts of the world, a common mission unites us — to make a genuine impact.

5. We are on a journey together

We make sure our team feels appreciated and valued. We celebrate our people. We take the time to stop and acknowledge where we came from so that we don't miss how impressive the climb is.

Our strategy

1 Focus on sustainable growth

- Prioritising quality of revenue

2 Partner-led sales approach

- Increasing the number of business process outsourcing (BPO) partners
- Enhancing partnerships with procurement advisers – large global consulting partners

3 Sales & marketing to lead on customer advocacy

- Rebuilding sales team
- Leverage branded customer base and substantial data points

4 Expansion with existing customers

- Upselling opportunities – Customer Success, Artificial Intelligence Classification Engine ("AiCE")
- Increased professional services fees for renewed contracts

The foundations of our model...

Employees

We have a highly skilled talent base, including an operational leadership team drawn from the B2B SaaS enterprise software space, who are fundamental to maintaining the strength of our platform, driving our business forward and implementing our renewed strategy. The experience across our organisation from working with spend data for over 15 years combined with a leadership team with success in growing businesses give us a unique value proposition.

Partners

Our partners – in terms of business process outsourcing ("BPO") and procurement advisory companies – are key to our growth strategy, which includes a partner-led go-to-market approach. While it is still relatively early days in the implementation of our renewed strategy, our partners have already made notable contributions and are an important element of our model.

Technological assets

Our proprietary platform and the IP on which it is based, as well as the 15+ years invested in its development, are fundamental to our offering and our ability to service our customers. The strength of our data extraction capabilities and the high level of process automation are competitive advantages, particularly in being able to provide customers with real-time visibility, while the depth of our architecture means we are well-positioned to be able to adapt our platform to address emerging requirements and leverage technological advances, such as generative AI.

Technology providers

A crucial element of the strength of our service provision is the third-party technology being leveraged across the Rosslyn platform. The integration of our platform with client-side data sources drives our extraction capabilities while our enrichment of client's data involves connecting it with third-party data. We have also been working closely with teams from Microsoft's Azure OpenAI as we embed generative AI into our solution.

Financial

Having conditionally raised £3.4m in October 2024 and with the improvements we made during the year to our operating model, we have the solid financial footing to be able to execute on our strategy and, we believe, to become cash flow positive, which will allow us to invest to support and grow our business for the long term.

5 Leveraging innovation

- Utilising generative AI to automate data categorisation
- Increasing data sources to allow for greater enrichment of data
- Road map: utilising machine learning for predictive analytics
- Road map: creating additional value from data by offering community benchmarking

Enable us to deliver...

A procurement analytics platform that standardises customers' data and delivers insights to enable them to make informed decisions regarding their supply chain and spend that save money, increase efficiency and reduce risk.

Our highly automated software seamlessly extracts, analyses and enriches procurement data to reveal real-time business critical insights via an intuitive user interface. The single source of truth that Rosslyn provides by bringing this data together, enables our clients to leverage data to drive ESG initiatives, risk management and overall procurement strategy improvements.

We licence our software to customers to give them access, via a web interface, to our platform. Our customers primarily pay a fixed, recurring annual licence fee based on the number of input data sources/systems and frequency of refreshing the data on the platform. We generate a small proportion of revenue from the provision of professional services to assist customers with configuring or implementing our software and, during the year, we introduced our customer succession function as an additional chargeable service, which generates additional value for customers by enabling them to maximise their use of the Rosslyn platform and more effectively identify risk in the supply chain.

To our customers...

Who are primarily large, blue-chip organisations, both public and private bodies, who operate globally and are headquartered in the UK, elsewhere in Europe and the USA. Our customers are in multiple sectors, particularly medical & pharmaceutical, transport & aerospace, professional services and food & beverage. Increasingly, we also sell to partners who service the end customer.

Our platform is used primarily by our customers' procurement departments, but its collaboration means that it is also used by other stakeholders within an organisation, such as individuals involved in risk management, finance and sustainability.

And create value for our stakeholders...

Customers

We provide our customers with access to a market-leading platform that supports them in reducing costs and risk and increasing efficiency within their supply chain and procurement activities. The data we bring together is also beginning to help them meet their ESG goals and better manage risks within their supply chains. For our BPO customers or procurement advisory partners, we have the ability to decrease the time-to-value and give them access to data that influence larger procurement transformation projects, enabling them to offer a better service to their customers.

Employees

We create a dynamic and rewarding environment for our employees, supporting their career development and providing opportunities for growth within the business.

Investors

We aim to deliver a sustainable business model and generate returns for our shareholders.

Society

The service that we provide to our clients generates broader societal value such as through supporting ESG initiatives; contributing to recovery from economic disruption thereby raising earnings; and helping with surety of supply of consumer goods and services.

CEO's review

During the year, our focus was on the modernisation of our technology, particularly with the development of our artificial intelligence ("AI") solution, and securing some very large enterprise partnerships.

We also implemented changes to our operating model to better position Rosslyn for sustainable growth going forward. This was undertaken against a backdrop of needing to maintain tight cost control and, accordingly, allocating our resources to prioritise investment in what we believe to be transformational opportunities for Rosslyn.

PAUL WATTS
Chief Executive Officer

As James discusses in his Chairman's Statement, this opportunity lies in the changes occurring within the marketplace to address the perfect storm faced by procurement teams – a combination of operational, organisational and technological complexity – and that businesses today operate in a constant state of disruption-readiness, with procurement playing a key role in this. To truly add value, we need to move from providing spend visibility or spend analytics to driving spend intelligence and spend transformation. We are unlocking the value of data that sits across the supply chain – and, ultimately, enhancing it with external data – to deliver strategic insights that extend beyond pure savings. This is only possible through leveraging the power of generative AI – and ensuring that that technology is utilising the most reliable, highest quality data. This is the foundation for our Artificial Intelligence Classification Engine ("AiCE"), which we were delighted to launch and make operational during the year, and our ongoing technology strategy.

We are very pleased with the progress that we have made with AiCE to date – and, in particular, the contribution our AI development made to securing, post year end, our major new client win, which is of substantial significance and represents a transformational opportunity. Accordingly, this is fantastic validation of our strategy.

Customer wins

During the year, we secured two new contracts worth £422k in aggregate over a multi-year period and equating to an additional £120k in annual recurring revenue. The contracts are with a blue-chip European med-tech company, which sells its products via its 9,000+ shops and outlets in over 20 countries, and an international consultancy that provides services and solutions to the transport industry and is utilising the Rosslyn platform on behalf of a UK train operating company.

Most significant, however, is the substantial resource investment that we made in securing our major new client win. The customer, headquartered in the US, is one of the world's largest technology companies, a global household name and one of the top-10 Fortune 100 companies. The initial three-year contract, which was signed post year end, brings further possible growth opportunities through expansion into the customer's other divisions and operations beyond the central procurement department. As noted above, a key consideration in our appointment, which followed an extensive nine-month competitive tender process, was the development work being undertaken to automate the data classification process and to establish an enterprise-grade procurement data lake. To be appointed by an organisation of this magnitude is a huge endorsement of our offering, and this a contract of substantial commercial value and transformational impact with significant growth potential.

Partnerships

We continued to make progress on our renewed go-to-market approach centred on a partner model. With Chain IQ, a business process outsourcing partner, we completed an extensive process of aligning their business model with our technology value add to the point that we are now strategically embedded in all of their offerings. We are already beginning to see transaction volumes significantly increase as a result of this.

We significantly enhanced our relationship with a global consulting partner. We are in advanced negotiations, after a lengthy and competitive tender process, to replace the internal spend intelligence tool of this partner, which is one of the world's five largest consulting firms. The partner has also already introduced us to a number of new business opportunities, and we expect to sign the first customer in the near term. As with our major new client win, the sales and implementation cycles with partners such as these are complex and prolonged – commensurate with their size and growth potential.

We are also in the process of establishing a new type of partnership that will allow us to offer strategic procurement consulting services, focusing on matters such as tail spend management, maverick spend management and vendor consolidation. This would be a value-add service for Rosslyn customers that we would deliver via partnership with best-of-breed boutique consulting practices. This also forms part of our evolution from providing spend visibility to spend intelligence and facilitating impact realisation.

Platform

An important part of our activities during the year, and which was completed subsequently, was the work we have undertaken to modernise the platform architecture and to make it as AI-ready as possible. This has included, for example, transitioning to running on more scalable serverless platforms rather than traditional virtual machines. Through this exercise, we have increased platform efficiency, which will reduce operating costs while enhancing reliability and robustness. It is also what enabled us to launch and bring to market our first generation of AI solutions.

CEO's review continued

AI innovation

The most significant development during the year was the launch of our AI solution, AiCE. After a successful proof-of-concept, AiCE became operational with a first customer in April 2024, which, since year end, was expanded to four customers. Thanks to the calibre of our client base, our solution has been stress tested and proven by substantial enterprises – attesting to its strength. It has now been made commercially available as an additional classification-as-a-service module, and we expect to receive our first revenue by the end of the current financial year.

With AiCE, we are aiming to unlock the asset value of the data that sits across a customer's supply chain by using technology to make it procurement-relevant. The data often sits across multiple systems and has not been classified – essentially, indexed – in a format that can be interrogated and leveraged by procurement teams. With AiCE, we automatically generate the categorisations and classifications of extracted procurement data. Automating this process significantly increases accuracy, expands the volume and complexity of data that can be incorporated and therefore shortens the time to insight. It also reduces the need for time-consuming ongoing manual maintenance of classification rules and frameworks. Our aim is to build the most automated, dynamic technology, and establish ourselves as the leading provider, for data classification and enterprise customer taxonomy management.

However, this is just the starting point.

Our plan is to innovate on top of this architecture with next-generation AI technology that can generate intelligent – or predictive – insights. By building an enterprise-grade procurement data lake and integrating with third-party sources, we will be able to provide a far more interactive, data-led means of driving procurement strategy and unlock insights extending beyond pure savings – looking at sustainability, diversity and, ultimately, supply chain transformation. This is an incredibly exciting prospect.

Customer Success

We continued to invest in our Customer Success function – building on our significant work of the previous year. This is helping us to transform the customer journey, which is enabling us to generate a larger commercial return from each customer – through the up-sell or cross-sell of new product modules and providing more value realisation – and build a better rapport with them. Importantly, we have also now introduced our Customer Success function as an additional chargeable service, which creates value for customers by enabling them to maximise their use of the Rosslyn platform and more effectively identify risk in the supply chain.

Outlook

Following a period of significant transition as we transformed our company – having reset our strategy, had that strategy validated and established the foundations to execute – we believe that we are now at an inflection point. We are beginning to recognise the initial results of our efforts, most notably with our major new client win. This customer offers substantial growth potential for Rosslyn, and we expect to expand our relationship before completing the initial contract. We are also experiencing strong momentum with ChainIQ, which we believe will be an important contributor to growth in the near-term, and we are in advanced negotiations with a significant prospective partner that is one of the world's largest consulting firms.

We are also now ramping up our sales & marketing activities, which we had reduced during the year as we prioritised investment in our technology and focused on securing the substantial tenders noted above. Following our fundraise, we are now investing to significantly increase this activity – particularly to support the commercial launch of our AI solution.

Accordingly, we are greatly excited about Rosslyn's prospects. In the near term, we expect to achieve positive adj. EBITDA and cash generation on a monthly basis by the end of the current financial year – which will enable us to drive accelerated revenue growth in the medium term as we leverage the investment that we have made to substantially strengthen our offer. We look forward to reporting our progress.

Paul Watts
Chief Executive Officer
28 October 2024

Following a period of significant transition as we transformed our company – having reset our strategy, had that strategy validated and established the foundations to execute – we believe that we are now at an inflection point. We are beginning to recognise the initial results of our efforts, most notably with our major new client win.

Paul Watts
CHIEF EXECUTIVE OFFICER

Our end-to-end process

Powered by generative AI, the Rosslyn Platform transforms spend data into insight and actionable intelligence

- Removes the technological and organisational complexity of extracting data
- Provides easy-to-use software for all procurement roles
- Helps drive day-to-day activities as well as long-term, continuous improvement
- Enables procurement teams to use data to drive savings, capital management and risk mitigation

Acquisition
Automatically connecting and extracting from ERPs and enabling near-real-time refresh

Aggregation
Mapping and merging data together from multiple sources

Validation
Ensuring the data is correct

Enrichment
Adding new lenses to the spend data

Normalisation
Standardising, improving and reorganising

Classification
Categorising data into a format that can be interrogated

Visualisation
Leveraging out-of-the-box reports that provide immediate visibility and insight

Unlocking the power of AI

Product Vision: Empowering procurement with AI-enhanced intelligence and decision automation for strategic excellence

Rosslyn's aim is to blend internal and external data together to form the ultimate supply chain source of truth – utilising AI to go beyond the insights provided today and enrich procurement teams with data to benchmark against and provide predictive intelligence.

The key barrier to leveraging AI for procurement is the quality of data. Reliable data has always been pivotal to the procurement process, but advanced analytics utilising AI is heavily reliant on the quality of data – the quantity, accessibility, usability and accuracy of input data is vital to the provision of actionable intelligence.

In the short term, our priority is to unlock and underwrite data quality. Our existing strength in automated data extraction and refresh contributes to this: orchestrating the acquisition and refresh of data to provide continuous insights. But we are taking this much further with our AI classification engine (AiCE) and the development of a procurement data lake.

- Rosslyn's AI classification engine (AiCE) automates the categorisation and classification of extracted procurement data
  - Significantly increases accuracy
  - Expands volume and complexity of data that can be processed
  - Shortens time-to-insight by automating the process that enables data to be analysed
- We are developing a procurement data lake to provide greater insight – leading to predictive intelligence
  - Optimal performance requires continuous refining and enriching, which is most effectively achieved through an automated engine, particularly for complex data sets
- Our AI solutions are being co-developed with key customers – reducing our investment required and ensuring a product fit-for-purpose

Rosslyn is uniquely positioned to solve the AI challenge

Extensive experience
Our 17+ years' experience in spend analytics combined with in-house technical capability and a leadership team with a track record of growing businesses means we have the expertise to address the evolving demands and leverage the opportunities.

Custodians of vast data sets
As custodians of a large volume of complex supply chain data, we have an ideal sandbox for developing new solutions.

Deep technology architecture
The foundation of our platform is its deep technological architecture, which provides the flexibility for us to incorporate new developments without needing to re-build or start from scratch.

Automation-first approach
Automation is already embedded within our platform and is a key strength of Rosslyn, which provides a strong base for taking this further by adopting new, advanced technologies to enable the provision of real-time intelligence.

AiCE timeline

Summer 23

POC
- 4 key clients
- 1,000 rows per client processed
- Offline processing & review
- Positive response from clients

Spring 24

EAP
- 4 key clients
- UI driven classification on production
- Targeting unclassified spend
- Further model refinements

Autumn 24

GTM
- Batch processing as part of regular refresh
- Chargeable subscription model
- Solving the unclassified spend problem

Spring 25

Future
- Classification-as-a-service
- 100% automated classification
- Higher savings potential and insights from well-classified spend

Unlocking the power of AI continued

Innovation opportunity

In conversation with Keith Williams

Director of Engineering

Rosslyn's goal is to build the world's most reliable procurement data lake – to provide clients with a scalable, robust and accurate view of all of their spending data.

Q. Where is Rosslyn on its AI journey?

A. To date, we have built an engine that allows our clients to classify their data, which is phase one of executing our AI technology strategy. Alongside enhancing this classification, we intend to add more layers of intelligence so that our platform doesn't just classify and identify data, but is able to review and analyse it to inform customers of risks and opportunities. Predictive analytics – or intelligence insights: that's the goal.

To go into more detail, in terms of classification, we are working on utilising multiple AI models to perform data quality analysis and subsequently data classification. We have built deep integration with leading partners such as OpenAI, and we are developing our own AI models as well based on our own data and insights.

It's also about connectivity to our clients' systems and our industry partners'. While we have excellent tools that will extract data from SAP and from Oracle and other systems that our clients have, we intend to develop this further to make the data ingestion more seamless and more scalable for the world's largest enterprises, and to include a wider range of data. This includes working more closely with our industry partners to tie our AI strategy to external data sources, for example those provided by Dun & Bradstreet and, further ahead, sources such as the World Freedom Index that will inform our clients whether they are buying from countries that are deemed to have low press freedoms or poor human rights records. All of this data is open source and publicly available and so, once we bring it in, we can start feeding it into generative AI to provide our clients with a more holistic view of their information and provide them with insights they didn't have before we came along.

Q. What is the current priority towards achieving this?

A. It is to build the world's most reliable procurement data lake – something that can give our clients a scalable, robust and accurate view of all of their spending data. We recognise that to achieve our AI goal, data quality has to be absolutely paramount and so we are determined to use the insights we have from all the data we have, the experience we have and a combination of human insight and AI insight to really make sure that we have the highest quality data that our clients trust so that they can trust and act upon any insights built on top of this data. Without solid and reliable data, you can't have a good AI solution. AI can help us make that data better: it can help us cleanse the data, it can help us assess the quality of the data – but, fundamentally, you need reliable data as the AI will only be as good as the data it is given to work with.

We already have a foundational procurement data lake and our focus now is to utilise advanced technologies to improve it and to better scale it. At Rosslyn, we have millions and millions rows of data generated over years and years, and we are looking at how we can build that into an AI model and use the insights gained from our own data to begin to specialise our models.

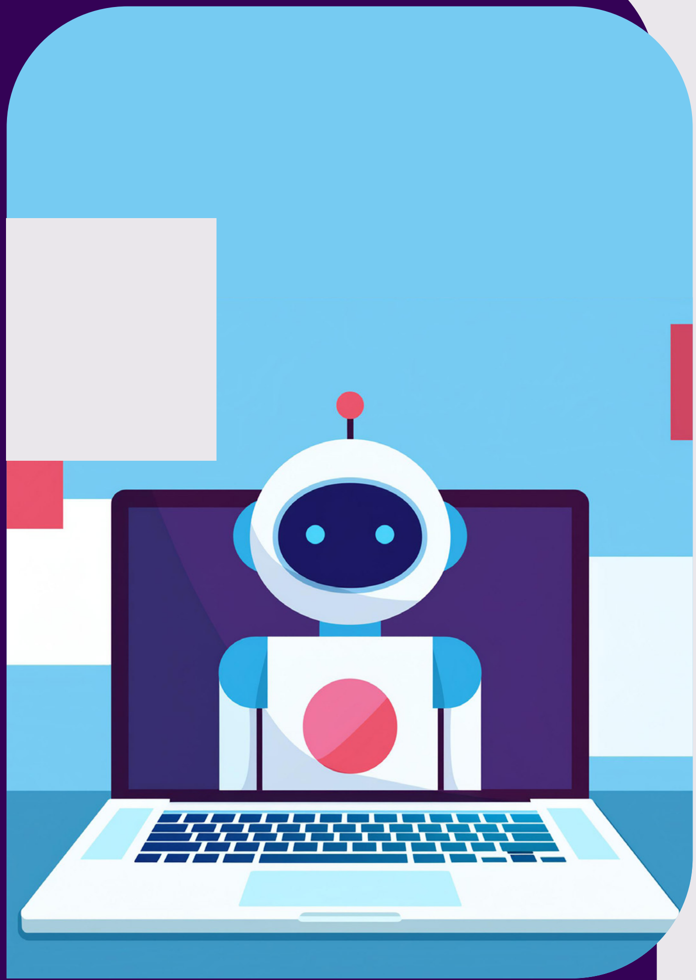
Q. What differentiates Rosslyn's approach to AI and why?

A. I think we have a greater focus on AI than our competitors – but we also understand how vital the quality of data is to fully utilising AI and our strategy to build a procurement data lake that can deliver the highest quality of data sets us apart. We are able to do this, in part, through the substantial amount of data that we have from our many years of experience with some of the world's largest companies.

Another area of differentiation is that we have the flexibility to deal with any scenario even the most complex companies in the world can throw at us – and also the willingness to take on that challenge. Again, this relates to our experience and expertise, which also enables us to do our own AI development. We have a team of people building custom models, custom algorithms, based on our data and our insights – so it's not that we're just using something off the shelf. We are supplementing what we gain through our integration with providers such as OpenAI with our own scripts and our own methods.

One of our key strengths is our automation capabilities, and particularly our ability to extract data automatically. We can automate the whole process end-to-end, which puts us a long way ahead of competitors. Related to this, over the last year we have built a suite of automated quality tests, which now cover a large proportion of our functionality and are run on a daily basis. This helps us to innovate while being sure of maintaining the highest quality.

A key factor at the heart of what differentiates Rosslyn is that we are seeking to be the single source of truth for our customers across the supply chain. To do this, we need to provide real-time insight based on continuous, seamless extraction and analysis of data. The industry tends to take a 'once and done' approach whereas we want to provide clients with a holistic understanding of their procurement and partner with them to provide valuable intelligence to support their ongoing business needs. This ultimately drives much of what differentiates Rosslyn and our AI strategy.



CFO's review

While we are still at the relatively early stages of implementing our renewed strategy, I am pleased to note that the actions that we have taken during the year to improve our financial position are beginning to bear fruit. In particular, gross margin was significantly increased through adjusting our professional services fees.

ED RIDDELL
Chief Financial Officer

Alongside this, we conducted an in-depth internal project to increase platform efficiency, which will result in reduced costs going forward. As we expand our business, we will benefit from a number of economies of scale, such as being able to increase our Azure platform usage by up to 50% without incurring additional cost. We also took a strategic decision to prioritise quality of revenues. As a result, and alongside our recent fundraising, we have positioned ourselves for sustainable growth.

Revenue

Revenue for the year was £2.9m (2023: £3.0m), of which £2.3m was annually recurring revenue ("ARR") compared with £2.4m in 2023. The reduction reflects our strategic decision to exit unprofitable business lines and the protracted timelines associated with contract negotiations for the sizable new opportunities that we have secured.

Our revenue comprises the annual licence fee – software revenue – we charge customers for having access to our platform and professional services fees for work undertaken to tailor our solution to align with customers' infrastructure or meet specific additional solution requirements. Software revenue continued to be the main contributor to revenue, generating £2.3m (2023: £2.4m) and accounting for 79% of total revenue (2023: 80%). Professional services revenue remained stable at £0.6m (2023: £0.6m), and accounted for 21% of total revenue (2023: 20%).

Gross profit

Gross margin improved to 38.8% (2023: 34.7%), primarily reflecting the introduction during the year of increased pricing for our professional services work to appropriate market levels, which applies to new and renewed customer contracts. As a result of the improved gross margin, gross profit increased to £1.1m (2023: £1.0m).

Operating expenses

Operating costs were £4.7m (2023: £3.8m). This primarily reflects administrative expenses being higher at £4.1m (2023: £3.4m) as we began to rebuild the business. Depreciation and amortisation expenses were £0.4m (2023: £0.4m), relating to the amortisation of development costs relating to the continued upgrading of the platform.

Profitability measures

Adjusted EBITDA* loss was £2.5m (2023: £2.0m loss) as set out in the table below:

	2024 £'000	2023 £'000
Revenue	**2,854**	3,012
Gross profit	**1,108**	1,044
Operating loss	**(3,543)**	(2,793)
EBITDA Adjustments:		
Depreciation	**35**	19
Amortisation	**396**	268
Share-based payments	**96**	89
Exceptional items	**499**	260
Adjusted EBITDA*	**(2,517)**	(2,048)

* Adjusted EBITDA is defined as earnings before interest, taxation, depreciation, amortisation, exceptional items and share-based payments. The change in the value of share-based payments is adjusted when calculating the Group's adjusted EBITDA as it has no direct cash impact on financial performance. Adjusted EBITDA is considered a key metric to the users of the financial statements as it represents a useful milestone that is reflective of the performance of the business resulting from movements in revenue, gross margin and the costs of the business removing exceptional items which are believed to be not representative of the ongoing business.

Operating loss was £3.5m (2023: £2.8m loss). The increase in operating loss and adjusted EBITDA loss reflects the higher operating expenses.

Loss before tax for the year was £3.6m (2023: £2.8m loss). We had receivable tax credits of £235k (2023: £664k). As a result, net loss for the year was £3.4m (2023: £2.1m loss).

In addition, in the previous year we generated profit of £2.5m from discontinued operations (2024: £nil). Accordingly, total comprehensive loss for 2024 was £3.4m compared with total comprehensive income of £0.4m for 2023.

Cash flow and liquidity

Net cash used in operating activities was reduced to £2.2m (2023: £2.7m), which reflects the receipt of £0.6m in R&D tax credits (2023: £0.03m expense). Cash used in operations was £2.8m (2023: £2.7m).

Net cash used in investing activities was £0.7m compared with £1.0m of cash being generated from investing activities for the previous year. The change primarily reflects £1.5m of cash being generated from the disposal of operations in the previous year (2024: £nil). Cash used in investing activities primarily comprised investment in software of £0.6m (2023: £0.5m).

Net cash generated from financing activities was £2.8m (2023: £0.03m). This primarily reflects the fundraising undertaken during the year.

Accordingly, there was a decrease in cash and cash equivalents of £0.1m before the effects of foreign currency translation compared with a £1.7m decrease in 2023.

Cash and cash equivalents at 30 April 2024 were £646k (2023: £767k). Our cash position was significantly strengthened post year end with the raising of £3.1m via the issue of new ordinary shares and convertible loan notes. In addition, and as previously announced, James Appleby, Non-Executive Chairman, has confirmed his intention to subscribe for £264k following the release of the Company's full year 2024 results, resulting in total funds raised being £3.4m.

Balance sheet

As at 30 April 2024, we had net assets and total equity of £1.3m compared with £1.9m at 30 April 2023. The main movements in the balance sheet during the year were:

- a decrease in current assets to £2.0m (30 April 2023: £2.6m) reflecting lower trade and other receivables and corporation tax receivable;
- an increase in intangible assets to £1.6m (30 April 2023: £1.4m); and
- non-current liabilities increasing to £0.3m (30 April 2023: £0.1m), comprising non-current financial liabilities (borrowings) of £0.3m as at 30 April 2024 (30 April 2023: £nil) and £nil non-current trade and other payables (30 April 2023: £0.1m).

Ed Riddell
Chief Financial Officer
28 October 2024

Key performance indicators

The Board has chosen the following Key Performance Indicators ("KPIs") for measuring Rosslyn's progress. The Board keeps the KPIs under review to assess what are the most appropriate metrics as the Company and its strategy develops. Accordingly, the Board has adopted net cash from operating activities as a KPI, which has replaced net revenue retention and customer acquisition cost payback to reflect the Board's renewed financial strategy that is to prioritise reaching profitability and focusing on the quality of revenue.

The comparative figures for 2023 are presented for the Company's continuing operations.

Annual Recurring Revenue

£2.3m

Description

ARR is the sum of ongoing average annual licence revenue for all customers as of the measurement date, with ARR for each customer being their annual contracted value to Rosslyn.

Why it is a KPI

It measures the amount of revenue that is contractually repeatable, representing the base on which to build with new revenue.

Commentary

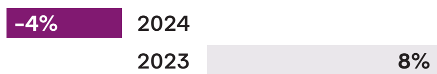
The reduction reflects the Company's strategic decision to exit unprofitable business line and the protracted timelines associated with contract negotiations for sizable new opportunities.

Link to risk

1 4 6 8

Annual Recurring Revenue Growth

–4%



Description

ARR growth rate is the change in the sum of ARR for all customers as of the measurement date, with ARR for each customer being their annual contracted value to Rosslyn.

Why it is a KPI

A key metric for SaaS businesses that aids in measuring business growth and calculating customer churn.

Commentary

The change is due to the reasons noted in the ARR section above and that the growth rate in 2023 reflects the lower base of ARR in the previous year.

Link to risk

4 6 8

Risk key

1 Liquidity
2 Data security
3 Dependence on key executives and technical personnel
4 Customer risk
5 Reliance on key systems and business continuity
6 Competition risk
7 Technical change
8 Product risk
9 Political, economic and legislative risks

Weighted Pipeline

£1.3m

Description

The Group's ARR pipeline that is at the Sales Qualified Lead (SQL) stage or later in the sales process, having been at least qualified in an initial meeting as having budget, authority, need and to be expected to close in an appropriate timeframe.

Why it is a KPI

Pipeline is a critical measurement to the ongoing growth of the business. By weighting the pipeline based on an opportunity reaching a certain stage of the sales cycle, an indicator of nearer-term conversion is provided.

Commentary

Weighted pipeline grew as the Group executed on its strategy and attracted new sizable opportunities.

Link to risk

1 6 8

Gross Margin

38.8%

Description

The difference between the selling price of Rosslyn's services and the direct costs of providing those services to the customer, as a percentage.

Why it is a KPI

An indicator of the amount of profit available to cover overheads and ultimately pass to the owners.

Commentary

Improvement primarily due to Rosslyn increasing its pricing in new and renewed contracts to appropriate market levels and enhancing its platform efficiency.

Link to risk

1 4 6 9

Total Pipeline

£3.3m

Description

The measurement of ARR of all sales opportunities at the different stages of the sales cycle.

Why it is a KPI

Total pipeline offers insight into the ongoing growth of the business and indicates the success of gaining opportunities even if they do not subsequently progress.

Commentary

Total pipeline grew on an underlying basis: the reported reduction reflects the adoption of more stringent criteria in 2024 for classifying pipeline.

Link to risk

1 6 8

Adjusted EBITDA loss

£2.5m

Description

This is the EBITDA loss for the year adjusted for share-based payments and exceptional items that are not costs associated with the operations of the business.

Why it is a KPI

It provides an indicator of how efficiently the Group operates and how much of its earnings are attributed to operations by removing certain conditions that are not related to operating performance.

Commentary

The increased loss is due to the lower revenue and greater costs as the Group increased its level of activity as it began to rebuild its business. In addition, the Group generated profit in 2023 from the sale of discontinued operations.

Link to risk

1 4 6 8

Risk key

1 Liquidity
2 Data security
3 Dependence on key executives and technical personnel
4 Customer risk
5 Reliance on key systems and business continuity
6 Competition risk
7 Technical change
8 Product risk
9 Political, economic and legislative risks

Key performance indicators continued

Cash Burn Rate

£(218)k

Description

The amount of cash used in operations over time.

Why it is a KPI

The Group's rate of cash burn provides a measure of financial strength and self-sufficiency to support operations while the business is at the pre-profit stage.

Commentary

The small increase reflects the Group beginning to rebuild its business following a period of restructuring.

Link to risk

1 3 9

Net Cash From Operating Activities

£(2.2)m

Description

The Group's cash inflows minus its cash outflows over the year from operating activities, including transactions such as from buying and selling services, supplies and paying salaries and wages.

Why it is a KPI

It demonstrates the Group's ability to support the business' activities on its own without additional loans or outside investment.

Commentary

The improvement is due to tighter controls around cash management.

Link to risk

1 3 9

Risk key

1 Liquidity
2 Data security
3 Dependence on key executives and technical personnel
4 Customer risk
5 Reliance on key systems and business continuity
6 Competition risk
7 Technical change
8 Product risk
9 Political, economic and legislative risks

Risk management and principal risks

Managing our risks effectively

In common with any business, the Group can be subjected to a variety of risks in the conduct of its normal business operations that could have a material impact on the Group's long-term performance. The Board is responsible for determining the level and nature of risk that is felt to be appropriate in delivering the Group's objectives and for implementing an appropriate Group risk management framework.

The Board routinely monitors risks that could materially adversely affect the ability of the Group to achieve its strategic goals and to maintain financial stability, assisted by senior management. The Group seeks to mitigate exposure to all forms of risk where practical and to transfer risk to insurers where cost effective. In this respect the Group maintains a range of insurance policies against major identified insurable risks, including (but not limited to) business interruption, cyber security and employment risks.

Principal risks and uncertainties

The risks outlined below are those that the Board considers to be material to the Group.

Risk	Description	Mitigation	Change
1 Liquidity	The Group's ability to operate is dependent on it having sufficient financial resources to be able to meet its payment obligations when they fall due or to be able to do so without incurring excessive cost.	Post year end, the Group conditionally raised £3.4m to support working capital, which the Board believes will provide sufficient funding to enable the Group to reach a cash generative position. The finance team closely monitor and manage cash flow. Further detail on the Group's financial risk management can be found in note 22 to the financial statements.	↓
2 Data security	The Group handles large volumes of client data from multiple data centres around the world. In spend analysis alone, the Group actively manages information from c. 3.9 million suppliers covering nearly £1.8 trillion total spend under management. Confidentiality, integrity and accessibility of this data is a top priority. The number of global security breaches reported is on the increase as cyber-attacks become ever more sophisticated, automated and state-sponsored.	The Group's leadership team is responsible for ensuring that all policies, procedures and standards are maintained, that software is developed in line with current best practice, and that the Group's security policies, processes, controls and insurances evolve as risks do. This not only includes cyber security but also the management of data protection (including GPDR and similar legislation in the UK and USA) and is independently audited to the ISO 27001 global standard. To ensure its levels of data security, for clients' data as well as its own, remain as effective as possible, daily vulnerability scans are undertaken as well as regular penetration testing exercises. These external security tasks complement the implementation of the security stack offered within the Microsoft Azure platform.	↔
3 Dependence on key executives and technical personnel	The Group's future success depends on its senior management, senior sales and marketing executives and key technical staff. The Group has entered into contractual agreements with these staff members but their continued employment cannot be guaranteed. Failure to retain these staff members may adversely affect the performance and profitability of the Group. It is possible that key staff members may join competitors or establish competitor businesses in their own right.	The Group has identified the key resources and implemented a plan to develop and retain talent, which is reviewed periodically. In addition to financial incentives (bonus, commission schemes and share options), the plan also supports career progression and growth. The Group continues to invest in its HR processes to ensure good recruitment and onboarding of new employees. Ongoing training is provided to develop staff to ensure they are well equipped to deliver their evolving roles. The Group's financial plans for the coming year include additional recruitment in key areas to reduce key person risk. To maximise resources and gain access to top talent, during the year the Group appointed a fractional CTO – and will consider other fractional appointments going forward.	↔

Risk management and principal risks continued

Risk	Description	Mitigation	Change
4 Customer risk	The Group invests in functions and processes to service customers in an appropriate manner, with a view to achieving high customer retention rates. The expansion of the Group may place strains upon these functions and processes. There can be no guarantee that the Group will be able to win new customers and achieve high retention rates.	The Board recognises that customer care and retention is a very important attribute to businesses in the service sector. Clients are supported by the Customer Success team which was enhanced in the previous financial year. The Board regards customer satisfaction and low churn as important success signals. Nevertheless, some client turnover can be expected for reasons that do not necessarily reflect poor service. Change of control of a customer, as an example, may give rise to different supplier choices.	↔
5 Reliance on key systems and business continuity	The Group's reliance on certain key systems and technologies for its continuing operations exposes it to significant risk as the systems are vulnerable to interruption and damage. The interruption and damage of the Group's systems and/or employees' ability to perform their functions may be due to events beyond the control of the Group; these events include, but are not limited to, natural disasters, pandemics, telecommunications failures, power losses, computer viruses and terrorist attacks. Downtime arising from such events may have a material detrimental effect upon the Group's performance and profitability.	The Group maintains disaster recovery plans and undertakes regular security procedures (see 'Data Security' above). These are designed to allow the business to function properly against many foreseeable events. The Group has a resilient IT infrastructure and has adopted a remote-first approach to working, which enables employees to continue to support clients without disruption to client service such as in the event of being required to work remotely. However, certain events are beyond the management's ability to build cost-effective solutions (for example acts of terrorism and total loss of the internet) and cyber risk continues to be an evolving threat to all businesses in a way that cannot be entirely eliminated (but which the Group has taken action to mitigate as described above). Management recognises the Group's exposure to key systems and seeks to minimise its risk on a cost-realistic basis by means of technology and policy controls, training, testing and appropriate insurances.	↔
6 Competition risk	The sector in which the Group operates is competitive and there can be no certainty that the Group will be able to achieve the market penetration it seeks. There can be no guarantee that the Group's current competitors or new entrants to the market will not bring superior technologies, products or services to the market. The possibility of similar products and services at a lower price may also be offered to the market. Any of these events may have an adverse effect on the Group.	The Board has adopted a partner-led go-to-market strategy, which enhances the Group's competitive position by being able to leverage the established relationships of its partners with the end customer. The Group has invested significantly in product development (as described further below), particularly in its artificial intelligence solution that the Board believes is a key competitive advantage and differentiator.	↔

Risk	Description	Mitigation	Change
7 **Technical change**	The Group is involved in the provision of software services. The software industry is in the process of continuous change and development, reflecting technical developments and changing customer requirements. These changes may adversely impact the Group's prospects.	The Group continues to invest significant resources into R&D. Its Customer Forums and industry contacts provide key insights to enable the Group to future-proof its offering. The Board believes that constantly evolving the product offering best protects the Group against technological change. In particular, the Group has made significant progress in leveraging emerging offerings, such as using artificial intelligence, which the Directors believe are set to disrupt the marketplace and in which the Group has an opportunity to establish a leadership position.	↔
8 **Product risk**	The Group supplies sophisticated and complex computer software to its customers. These products, when first introduced or enhanced, may contain undetected defects that may fail to meet customers' performance expectations or requirements. Such failures may damage the Group's reputation and lead to an adverse effect on the Group's business and financial performance.	Products and new releases are rolled out to the market, after extensive testing using well-documented testing protocols, in a progressive manner. The Group seeks to release fully functional products but the nature of software includes a risk of unidentified bugs existing in the system. The Group is capable of rolling back to previous versions of software if absolutely necessary.	↔
9 **Political, economic and legislative risks**	The Group may be adversely impacted by developments in the political, economic, global and regulatory environment in which the Group operates. Such risks include, but are not limited to, expropriation, nationalisation, inflation, deflation, changes in interest rates, changes in tax rates and regimes and currency exchange controls. A general deterioration in the economic climate in any of the markets in which the Group operates may impact the demand for the Group's products and services. Such changes in demand may cause an adverse impact on the Group's performance. It is not always possible to foresee the impact of legislative or regulatory change. These changes may also have an adverse impact on the Group's financial performance.	The Group operates in a diverse range of markets, which offers some regional diversification, but many macroeconomic factors and legislative events are beyond the control of the Board. The global nature of the Group's customer base and the ability to move the technology stack from one country to another, whilst already operating from different global data centres within the Microsoft Azure Cloud, enable the Group to continue to trade unhindered.	↔

Our approach to sustainability

At Rosslyn, we are committed to operating our business in a way that makes the world a better place, by positively impacting our customers, partners, employees and the wider community.

Our Approach to ESG

We strive to meaningfully engage with all our stakeholders to identify aspects of our business most relevant to each, which enables us to build our sustainability framework around them.

Our business is built to drive sustainability. By having visibility of the entire supply chain, we assist our customers in making decisions to reduce waste and enhance their operational efficiency to support the longevity of their business. Increasingly, our customers are also specifically using our platform to help them meet their environmental, social and governance (ESG) targets and monitor adherence to social and environmental standards through the supply chain.

As discussed elsewhere in this Strategic Report, the year under review was a transitional period for Rosslyn as we focused on executing on a new strategy while maintaining close management of costs. Following our fundraise post year end, along with a major new client win and strong pipeline, we are focused on rebuilding our business after a period of significant restructuring – and doing so by incorporating strong ESG principles into our foundations and establishing a corporate culture that will support us achieving our goals. To assist with this, we have nominated a member of our workforce to steer our ESG activities and to report to, and be the key point of contact for, the Board in discharging its responsibility for the oversight of Rosslyn's ESG matters.

UN SDGs

Rosslyn is dedicated to leveraging our innovative technology in processing and analysing data to build a more sustainable future in line with the United Nations Sustainable Development Goals (SDGs). We are working to help achieve:

Rosslyn contribution:

- Ensuring equal pay and equal opportunity for all our employees
- Encouraging use of our services for tracking and eliminating inequality

Rosslyn contribution:

- Building business resilience through efficient supply chain management

Rosslyn contribution:

- Reducing waste through optimised and well-tracked procurement
- Tracking scope 3 emissions through upstream supply chain

Environmental

Our operations

We aim to weave sustainability into everything that we do. As a software business, we are inherently a low-waste company, however we are committed to reducing our environmental footprint where possible. We have reduced our office footprint by adopting a remote-first approach and closing certain office locations and the associated data centres in those areas. All Rosslyn data centres have been moved to Azure hosting, which reduces our own energy consumption and footprint. In addition, Azure has its own ambitious sustainability targets, including utilising 100% renewable energy by 2025. Our London office, which was selected during the year, was chosen partly based on ESG credentials.

We encourage the use of public transport for all client and business travel. Customer training is also delivered remotely with all documentation available online.

Our customers

We have moved all customers away from on-premise servers to cloud computing, which reduces our customers' energy consumption and related carbon emissions. As noted above, we selected Azure as our hosting partner. We believe that this offers our customers an ESG supply chain assurance to help meet their own targets.

Our product strategy is to advance our ability to bring together data that provide our customers with insights and intelligence to drive their ESG initiatives. We already have a customer that selected our platform specifically for this purpose.

In addition, an aspect of securing the major new client that we announced post year end was being able to demonstrate that we could deliver the required service while seeking to minimise environmental impact, such as through limited travel.

Social

Our business starts with data, but at the heart of operations are our people. We committed to creating a positive work environment for our employees, both in terms of supporting their wellbeing – such as through partnering with the GoVida employee wellbeing platform – and career development. Rosslyn is committed to diversity and inclusion, which is reflected in our hiring policy, and to ensuring that equal opportunities are accorded to all of our employees for training, career growth and advancement irrespective of age, gender identity, ethnic origin, sexual orientation or any other status.

It is Rosslyn's policy to involve employees in the progress, development and performance of the Group, holding a number of briefings during the year to keep staff informed of developments, financial performance and technical changes.

Our commitment to making the world a better place extends towards the wider community, and we encourage and support employees to participate in charitable events and volunteering initiatives, both individually and on behalf of the Group.

Governance

Rosslyn has an established corporate governance structure in place and engages with all stakeholders to achieve the highest operational standards possible and foster a diverse, inclusive workplace. We believe in ethical conduct and the Board of Directors is responsible for ensuring the Group has appropriate governance practises in place and is accountable to shareholders for performance in this area.

The Group is certified under ISO 9001:2015 – the International Organisation for Standardization's accreditation for Quality Management Systems with which our policies run hand-in-hand, and are as follows:

- Complaints Policy
- Corporate Social Responsibility
- Modern Slavery Policy
- Privacy Policy
- Anti-bribery and anti-corruption practises

The Board follows the Quoted Companies Alliance Corporate Governance Code, and the Board and Audit Committee monitor the Group's compliance.

The Board is also responsible for the Group's systems of internal controls and, together with the Audit Committee, reviewing those systems, which it does with regards to the Group's Code of Conduct, which sets out the minimum standards that all employees and representatives of the Group are expected to meet. Further details on the Group's corporate governance function can be found in the Corporate Governance report on pages 26 to 29.

Directors and senior management

PAUL WATTS
Chief Executive Officer

Paul is a 30-year veteran of the enterprise software industry, who has held executive leadership roles in North America, EMEA and Asia-Pacific. His primary expertise is in the design and implementation of go-to-market transformation initiatives centred around the customer experience. Paul has recent experience covering a variety of emerging technologies, including robotic process automation and intelligent automation, as well as a broad spectrum of vertical market knowledge.

Skills and experience
Paul brings a strategic playbook to cover functional execution across customer success, digital marketing, sales execution, value-engineering and customer advocacy, along with an international outlook to business, having lived and worked in the USA, Japan, Asia and Europe.

JAMES APPLEBY
Chairman of the Board

James has over 30 years' experience in the technology industry. He joined the Board of Rosslyn in 2018 and became Chairman in 2019. James is also Chairman of Avantra, a private equity backed AIOps software company, and bike.rent, a B2B SaaS company that automates in-store rental.

Prior to his non-executive career, James worked as an engineer and then a consultant. In 2002, he founded Bluefin Solutions, and as CEO grew it to approximately 250 people and generating £30m in revenue with offices in the UK, Asia and the USA. In 2015, it was acquired by Mindtree.

James has a Master of Arts in Engineering from Cambridge University.

Skills and experience
James' experience in building and growing an IT business over many years is very relevant to Rosslyn's ambitions, as are his industry connections. These are supplemented by his leadership skills and his background in building successful cultures and mentoring management teams.

Committee Membership
A R

Committee key
- Audit Committee
- Remuneration Committee
- Chair
- Member

GINNY WARR

Non-Executive Director

Ginny is head of procurement at The British Land Company plc. She is a seasoned chief procurement officer bringing over 35 years' experience in both public and private sector roles. Prior to joining British Land, Ginny was instrumental in Vodafone's global expansion programme having specific responsibility for procurement transformation and alignment across Europe and Africa.

Skills and experience

Ginny is an influential and experienced procurement leader, with a proven track record of delivering sustainable business benefits in challenging environments. Having operated at executive level to deliver procurement best practice, her experience and domain insights are a valuable addition to the Group as it develops its product offering and markets. Ginny is an advocate and leader in the inclusion of equal opportunities for all abilities, recognised most recently through British Land being the first Real Estate company to be awarded the BDF Business Disability Smart Accreditation.

Committee Membership

A R

ED RIDDELL

Chief Financial Officer*

Ed has over 13 years' experience leading and developing finance departments in high growth businesses with a focus on technology.

Ed started his career at Ernst & Young where he trained in Audit and Assurance. In 2009, he moved into industry and his roles have included heading up finance teams at tech companies like CorporatePay a fintech payments business that was acquired by WEX Europe, at WEX Europe post the acquisition, and Acin a Financial Services risk control software business as well as at non-financial businesses as a Finance Director and on the Board of Directors of AIM-listed Bonhill Group PLC a media and events business and at Vollebak a high-tech men's clothing brand.

Skills and experience

Ed has a breadth of experience leading, developing, and transforming finance functions. His financial acumen is complemented by his expertise in strategic business development and operational management which he has used to support a number of SME businesses scale and reach profitability.

* Non-board position

Corporate Governance report

The Board is committed to effective corporate governance, and is accountable to the Company's shareholders for such governance. It recognises the importance to the successful running of the Group of applying sound governance principles, with strong internal controls that deliver long-term value and meets stakeholder expectations around leadership and oversight. This report provides shareholders with an overview of the Group's corporate governance arrangements and their operation during the year.

Corporate governance framework

The Board is responsible to shareholders and provides leadership and direction to the Group and meets regularly to monitor the current state of business and to determine its future strategic direction. The strategic direction and goals of the Group are set within the risk tolerances and control mechanisms the Board believes are appropriate.

Day-to-day management of the Group is delegated to the Chief Executive Officer and senior management team, subject to formal delegated authority limits; however, certain matters are reserved for whole Board approval. These matters are reviewed periodically and include Board and Committee composition, strategy, funding decisions and corporate transactions among others.

The roles of Chairman and Chief Executive Officer are separate. The Chairman provides leadership to the Board and is responsible for the Board's overall effectiveness including by agreeing the agenda for Board meetings, ensuring that the Directors receive the information that they need to participate in Board meetings, and that the Board has sufficient time to discuss issues on the agenda, especially those relating to strategy and governance. The Chief Executive Officer is responsible for the day-to-day leadership of Rosslyn, the management team and its employees. The Chief Executive Officer is responsible, in conjunction with senior management, for the execution of the Group's strategy approved by the Board and the implementation of Board decisions and for achieving the Group's strategic and commercial objectives.

The Board is collectively responsible for the long-term success of the Group. Its principal role is to provide leadership within a framework of prudent and effective controls, which enables risk to be assessed and managed. The Board considers the management team's strategic proposals and, following a rigorous review, determines strategy and ensures that the necessary resources are in place for the management team to execute against that strategy.

The Board has two Committees, each with defined terms of reference. They are the Audit Committee and the Remuneration Committee.

Board composition

At the end of the financial year, the Board comprised one Executive and two Non-Executive Directors. All the Directors bring a broad and valuable range of skills and experience to the Group. Their biographical details are set out on pages 24 to 25. The Board intends for the Chief Financial Officer to join the Board, which would bring the Board composition to two Executive and two Non-Executive Directors, which the Board believes to be an appropriate mix of skills and roles to act in the best interests of shareholders and stakeholders of the Company based on the current size of its operations.

The Directors who served during the year ended 30 April 2024 and up to the signing of this annual report (unless otherwise stated) are as follows:

- James Appleby, Non-Executive Chairman
- Paul Watts, Executive Director and Chief Executive Officer
- Ginny Warr, Non-Executive Director
- Barney Quinn, Senior Independent Director (retired 30 September 2023)

Board and Committee meetings

The Board meets regularly, monthly where possible, but in any event holds no fewer than 10 meetings each year. In addition to the scheduled meetings, informal discussions with Directors and senior operational managers of the Group in relation to strategic business development and other topics important to the Group's progress are held by members of the Board regularly. The Board and its Committees are provided with information ahead of meetings to give time for review and analysis. For each Board meeting an agenda is prepared and approved by the Chairman and followed. The Board maintains an ongoing list of matters arising from the Board meetings, which are then followed up at subsequent meetings to ensure that matters and decisions are being implemented. The Board assesses the relevance and effectiveness of its Corporate Governance framework each year.

During the year to 30 April 2024, the Board held nine scheduled meetings. The following table shows the attendance of the relevant Directors at the Board and Committee meetings during the year.

Meeting attendance

	Board	Audit Committee	Remuneration Committee
Executive Director			
Paul Watts	9/9	–	–
Non-Executive Directors			
James Appleby, Chairman	9/9	2/2	2/2
Ginny Warr	5/9	2/2*	2/2*
Barney Quinn	2/2**	–**	–**

* Appointed to the committee on 30 September 2023
** Retired effective 30 September 2023

Ed Riddell, Chief Financial Officer, attended the 2024 meetings of the Board and the Audit Committee by invitation.

Board effectiveness and evaluation

The performance of the Board is assessed by the Chairman. This assessment includes, but is not limited to, the appropriate level of skill of Board members, the conduct of Board meetings, the decision-making process and the effectiveness of the various Board Committees.

The Board is of the opinion that each of its members has the skills, knowledge, aptitude and experience to perform the functions required of a director of a listed company. The Board comprises Executive and Non-Executive Directors who are all of high calibre and who enable a well-functioning Board. As noted above, the Directors intend to appoint another Executive Director, which is expected to enhance the effectiveness of the Board by providing more balance between executive and non-executive roles.

Directors are required to commit sufficient time to their role to appropriately discharge their duties. All Directors are offered regular training to develop their knowledge and ensure they stay up to date on matters for which they have responsibility as a Board member. The Directors all have access to independent advice, if required, in respect of their duties from a variety of professional advisers.

Board independence

The Board has considered the independence of all Non-Executive Directors and considers that all Non-Executive Directors bring an independent judgement to bear.

Board Committees

The Board has two Committees, with clearly defined terms of reference. The membership of these Committees and their duties are set out below.

Audit Committee

The Audit Committee is chaired by Ginny Warr, with James Appleby being the other permanent member of this Committee. During the year under review, Barney Quinn was a member and Chairman of the Committee, with James Appleby being its other member, until Mr. Quinn's retirement on 30 September 2023. Other Directors are co-opted onto the Committee on an ad hoc basis as necessary. The Committee is expected to meet at least twice a year. The main responsibilities of the Audit Committee are monitoring the integrity of the Group's financial systems and statements; reviewing significant reporting issues; and reviewing the effectiveness of the Group's internal control and risk management systems.

The Committee is also responsible for overseeing the relationship with the external auditor (including advising on its appointment, agreeing the scope of the audit and reviewing the audit findings). The Committee meets with the external auditor, without the Executive Board members present, at least once a year.

Remuneration Committee

The Remuneration Committee is chaired by Ginny Warr, with James Appleby being the other permanent member of this Committee. During the year under review, Barney Quinn was a member and Chairman of the Committee, with James Appleby being its other member, until Mr. Quinn's retirement on 30 September 2023. Other Directors are co-opted onto the Committee on an ad hoc basis. The Committee is expected to meet at least twice a year.

The responsibilities of the Committee include determining the remuneration of the Chairman, the Executive Director(s) and other Senior Executives. As part of this role the Committee is responsible for setting the framework for any bonus, incentive or share option schemes. The remuneration of the Non-Executive Directors is agreed between the Chairman and the Executive Director(s). None of the Executive Directors were present at meetings of the Committee during consideration of their own remuneration.

Corporate Governance report continued

Investor relations

The Chief Executive Officer and Chief Financial Officer meet with institutional shareholders of the Company after the interim and annual results announcements and on an as needed basis at other times in the year to update shareholders on the progress of the Group. The Chairman speaks with institutional shareholders on a regular basis and as required.

All the Directors attend the Annual General Meeting and encourage the participation of all shareholders, including private shareholders. The annual report and accounts and the interim results are designed to give a detailed review of the business and developments, and are published on the Company's website, www.rosslyn.ai, where they can be accessed by shareholders and potential investors.

Environmental, social and corporate responsibilities

The Group is committed to sustainable progress in all aspects of its business – for the environment, customers, suppliers and communities we operate in. The Group's stakeholders include shareholders of the Company, members of staff, customers, suppliers, regulators, industry bodies and creditors. The Board promotes the highest level of behaviour and ethics, and understands the importance of establishing a corporate culture that promotes the wellbeing of employees and the business as a whole. The principal ways in which the Group gathers the feedback of stakeholders are meetings, direct conversations, email and social media. Further detail on how the Group addresses its environmental, social and corporate responsibilities can be found in the 'Our approach to sustainability' section on pages 22 to 23.

Internal control and risk management

The Board is responsible for the Group's systems of internal controls and, together with the Audit Committee, reviewing those systems. The systems put in place are designed to manage, limit and control risk but cannot eliminate all risk completely.

The Executive Director and Chief Financial Officer of the Company are actively involved in the daily management of the operations of the Group. Business risks are regularly identified and appropriate control systems are implemented to manage those risks.

The Group has quality assurance processes in place for the development and delivery of software. The main operating company, Rosslyn Analytics Limited, is ISO 27001:2022 certified, which covers information security management. The Group also adheres to ISO 9001:2015 for quality management.

The Group's internal financial control procedures and monitoring systems include:

- an annual budgetary process to set appropriate measurable targets for monitoring Group progress;
- financial policies and approval processes to ensure proper authorisation is obtained for spending;
- segregation of duties within financial management;
- maintenance of proper records for the production of accurate and timely financial information; and
- detailed monthly reporting to the Board against the operating budget and analysis of cash management.

Corporate governance code

The Board has adopted the Quoted Companies Alliance Corporate Governance Code ("QCA Code"). The Board believes the pragmatic, principles-based approach to corporate governance set out in the QCA Code is a good fit to the nature, stage and size of the Rosslyn business. During the year, the Board established and began to implement a readiness plan in preparation for the adoption of an updated version of the QCA Code that was published in November 2023 and is applicable to financial years starting on or after 1 April 2024.

The table below shows on which page information relating to how the Company complies with each of the ten principles of the QCA Code can be found:

No.	Principle	Disclosure in the 2024 annual report
1	Establish a strategy and business model which promotes long-term value for shareholders	pages 04 to 05
2	Seek to understand and meet shareholder needs and expectations	pages 26 to 29
3	Take into account wider stakeholder and social responsibilities, and their implications for long-term success	pages 22 to 23
4	Embed effective risk management, considering both opportunities and threats, throughout the organisation	pages 19 to 21
5	Maintain the Board as a well-functioning, balanced team led by the Chairman	pages 26 to 29
6	Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities	pages 24 to 25
7	Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	pages 26 to 29
8	Promote a corporate culture that is based on ethical values and behaviours	pages 22 to 23
9	Maintain governance structures and processes that are fit for purpose and support good decision making by the Board	pages 26 to 29
10	Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	pages 26 to 29

Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

Section 172 of the Companies Act 2006 requires each Director of the Company to act in the way they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole. In this way, s172 requires a Director to have regard, amongst other matters, to the: likely consequences of any decisions in the long term; interests of the Company's employees; need to foster the Company's business relationships with suppliers, customers and other material stakeholders; impact of the Company's operations on local communities and the environment; desirability of the Company maintaining a reputation for high standards of business conduct; and need to act fairly between members of the Company.

In discharging its s172 duties, the Board has considered the factors set out above and the views of key stakeholders, which consist of: shareholders, members of staff, customers, suppliers, regulators, industry bodies and creditors.

The Board consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year ended 30 April 2024.

The table below sets out the factors to which the Board should have regard when performing their duty under s172 and points to other disclosures within this report that are relevant to each factor:

Section 172 Factor:	Further information:
(a) The likely consequences of any decision in the long term	Our business – pages 04 to 05 CEO's review – pages 06 to 08 CFO's review and KPIs – pages 14 to 18
(b) The interests of the company's employees	Our approach to sustainability – pages 22 to 23 Directors' report – pages 34 to 36
(c) The need to foster the company's business relationships with suppliers, customers and others	Our business – pages 04 to 05 CEO's review – pages 06 to 08
(d) The impact of the company's operations on the community and the environment	Our approach to sustainability – pages 22 to 23
(e) The desirability of the company maintaining a reputation for high standards of business conduct	Our approach to sustainability – pages 22 to 23 Corporate Governance report – pages 26 to 29 Audit Committee report – pages 30 to 31
(f) The need to act fairly as between members of the company	Annual General Meeting – page 36

James Appleby
Chairman
28 October 2024

Audit Committee report

Introduction

I am pleased to present the Audit Committee's report for 2024. I trust that this report will provide you with an insight into our work, the matters handled and the focus of the Audit Committee's deliberations during the year.

Committee members and meetings

The members of the Audit Committee are myself, as Chair, and James Appleby. During the year under review, Barney Quinn was a member of, and chaired, the Committee until his retirement from the Board on 30 September 2023. I joined the Committee and assumed the role of Chair upon Barney's retirement. Other Directors or the Finance Director are co-opted onto the Committee on an ad hoc basis as necessary.

The Audit Committee is expected to meet at least twice a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required. The Committee meets with the external auditor, without the Executive Board members present, at least once a year. The Committee met twice during the year, and all members were present.

Governance and effectiveness

Outside of the formal meeting programme, the Chair of the Audit Committee and, as appropriate, other Committee members, maintain a dialogue with key individuals involved in the Group's governance, including the Chairman of the Board (who is a member of the Committee), the Chief Executive, the Chief Financial Officer and the external audit lead partner.

The Committee undertakes its duties in accordance with its terms of reference.

Responsibilities and activities

The Audit Committee's responsibility is to ensure that financial information published by the Group properly presents its activities to stakeholders in a way that is fair, balanced and understandable. The Audit Committee oversees the effective delivery of audit services, including making recommendations to the Board on the appointment of auditors, agreeing the scope of the audit and reviewing the audit findings. In addition, the Committee is responsible for monitoring the integrity of the Group's financial systems and reviewing the effectiveness of the Group's internal control systems, business risk management, and arrangements for whistleblowing and related compliance issues.

In its advisory capacity, the Audit Committee has confirmed to the Board that, based on its review of the Annual Report and financial statements and internal controls that support the disclosures, the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable, and provide necessary information for shareholders to assess the Group's position and performance, its business model and strategy.

During the year, the Audit Committee's activities included:

- Examining the annual report and financial statements for the year to 30 April 2023 and the half-year report for the six months to 31 October 2023 and discussing them with management and the external auditor to assess whether the reports, taken as a whole, were fair, balanced and understandable prior to recommending these to the Board for approval.
- Reviewing and challenging areas of significant risks and judgement and the level of disclosure.
- Monitoring auditor effectiveness and independence.
- Reviewing the effectiveness of the Group's system of internal controls and risk management.

Significant judgements

The significant matters that the Audit Committee considered, and upon which made certain estimates and judgements, are set out in the 'Judgements and estimates' section of note 2 to the financial statements. In particular, there was significant discussion and review regarding cash flow management and the Group's ability to operate as a going concern, and judgements made thereon.

Risk management and internal controls

In supporting the Board in maintaining an effective internal control environment, the Audit Committee keeps under review the Group's internal financial control systems and other internal control and risk management systems; reviews the methodology for reporting risk to the Board; sets triggers for reporting and escalation of significant emerging risks; reviews the adequacy and security of the Group's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters; and reviews the Group's procedures for detecting fraud and preventing bribery and receive reports on non-compliance. During 2024, there were no reports of whistleblowing, bribery, corruption or fraud.

Further details of the Group's financial risk management are set out under note 22 to the financial statements.

Internal audit

At present, the Group does not have an internal audit function. The Audit Committee believes that, owing to the Group's size, management is able to derive assurance as to the adequacy and effectiveness of internal controls and risk management procedures without an internal audit function. However, the Audit Committee will keep under review the need for an internal audit function as the business develops.

External auditor and independence

CLA Evelyn Partners Limited, formerly known as Nexia Smith & Williamson, were appointed as external auditor in March 2021 following a competitive tender process. The auditor confirmed its independence as auditor of the Company and Group through written confirmation to the Company, and the Committee monitors the relationship to ensure that auditor effectiveness, independence and objectivity are maintained.

The auditor has expressed their willingness to continue in office as auditor. A resolution to reappoint CLA Evelyn Partners Limited as the Company's auditor will be proposed at the Company's next Annual General Meeting.

A summary of fees paid to the external auditor is set out in note 6 to the financial statements.

Ginny Warr
Chair of the Audit Committee
28 October 2024

Remuneration Committee report

Introduction

This report outlines the Group's remuneration policy for its Directors and shows how that policy was applied during the financial year ended 30 April 2024. This section of the annual report has been prepared on a voluntary basis and in order to fulfil the relevant requirements of Rule 19 of the AIM Rules for Companies.

Committee members and meetings

Membership and the responsibilities of this Committee are set out below. With the retirement of Barney Quinn on 30 September 2023, Ginny Warr joined the Committee and assumed the role of Chair. James Appleby was the other member of the Committee for the year under review and to date. Other Directors are invited to participate in Committee deliberations as required, but are not involved in decisions affecting their own remuneration.

The Committee met on two occasions during the year, and all members were in attendance.

Committee responsibilities

The responsibilities of the Committee include determining the remuneration of the Chairman, the Executive Directors and other Senior Executives. As part of this role, the Committee is responsible for setting the framework for any bonus, incentive or share option schemes. The remuneration of the Non-Executive Directors is agreed between the Chairman and the Executive Directors. None of the Executive Directors were present at meetings of the Committee during consideration of their own remuneration.

Activities during the year

During the year, the Committee undertook the following activities at its meetings:

- review of Executive remuneration strategy and policy;
- consideration of bonuses to the Executive Directors;
- review of proposed grants of share options under the Rosslyn 2014 Share Option Program; and
- assessment of the Rosslyn 2014 Share Option Program and recommendation to replace it with an EMI Share Option Scheme.

At the beginning of the year, the Committee reviewed Executive pay and resolved to increase the basic salary of the Chief Executive Officer, with immediate effect, in consideration for the position becoming based in London. This reflects the Group's decision to close its Portsmouth-based operations and adopt a hybrid-working model with London as the base, which has resulted in cost savings and is important in attracting and retaining top talent.

Remuneration policy for Executive Directors

The objective of the remuneration policy is to ensure that the overall remuneration of the Executive Directors is designed to attract, retain and motivate them to generate performance aligned to creating sustainable shareholder value, within acceptable risk tolerances.

In the year under review, the Executive Director's total remuneration package comprised:

- fixed pay, including base salary and pension contributions; and
- variable pay and access to the share option schemes.

Directors' remuneration (audited)

The table below sets out the remuneration of the Directors during the year.

	Salary £'000	Bonus £'000	Benefits £'000	Pension £'000	**2024 Total £'000**	2023 Total £'000
Executive Director						
Paul Watts	220	35	3	22	**280**	199
Non-Executive Directors						
James Appleby, Chairman	50	—	—	—	**50**	50
Ginny Warr	30	—	—	—	**30**	30
Barney Quinn*	15	—	—	—	**15**	30

* Barney Quinn retired from the Board on 30 September 2023

The above table does not include the value of share options held by the Directors, details of which are set out below.

Share options

The Board recognises the importance of share options to appropriately incentivise and retain employees as well as to ensure their interests are aligned with that of the Company and its shareholders. During the year, the Remuneration Committee completed a review to assess whether the Rosslyn 2014 Share Option Program and the options that had been awarded thereunder remained fit for purpose. Following this review of employee incentives, the Remuneration Committee recommended to the Board that, given the reduction in the Company's share price and the changes in the share capital following the Company's fundraising and share consolidation in September 2023, the existing awards of share options were no longer a reasonable incentive and should be replaced to realign the option scheme with the prevalent share price and share capital. The Board of Directors approved this recommendation and the Rosslyn Data Technologies PLC EMI Share Option Scheme (the "EMI Scheme") was recommended to shareholders for approval, which was granted at the general meeting of the Company on 18 September 2023. Under the EMI Scheme, the Company is authorised to issue both tax advantaged enterprise management incentive options and non-tax advantaged options, and is able to issue and allot options representing up to 15% of the Company's issued share capital.

Following approval being granted by shareholders of the EMI Scheme, the Company cancelled a total of 525,846 options ("Historic Options") (which also followed the Company implementing a 50:1 share consolidation) that had been granted under the Rosslyn 2014 Share Option Program, with the holders of the Historic Options agreeing to their surrender and cancellation. Concurrently, on 29 September 2023 (the "Grant Date"), the Company granted a total of 1,871,833 options (the "New Options"), a portion of which are to replace the Historic Options alongside the grant of options to new holders, under the EMI Scheme. This included the cancellation of all Historic Options held by Paul Watts, a Director, being 322,134 options, and the grant of 882,964 new options as detailed below.

No other options were granted to Directors during the year under review. The options held by Barney Quinn lapsed upon his retirement from the Board of Directors on 30 September 2023.

Accordingly, as at 30 April 2024, the following options were held by Directors of the Company:

Director	No. of options	Exercise price	Vesting period and expiry	Conditions of vesting and exercise
Paul Watts	882,964	25.0p	▪ Vest one third on each of the first, second and third anniversaries of the Grant Date ▪ Expire 10 years from the Grant Date	▪ Vesting subject to the satisfaction of performance criteria related to increases in share price and the achievement of targets related to ARR, revenue and EBITDA ▪ Remain exercisable subject to remaining an employee of the Company

As at 30 April 2024, the Company had options outstanding over a total of 1,836,565 ordinary shares, representing 10.4% of the issued share capital of the Company at that date.

Directors' interests

The interests of the Directors over the ordinary shares of the Company are as follows:

	As at the date of this report		30 April 2024*		30 April 2023	
Director	Number of shares held	Percentage of issued ordinary share capital	Number of shares held	Percentage of issued ordinary share capital	Number of shares held	Percentage of issued ordinary share capital
James Appleby	**550,909**	**3.12%**	**550,909**	**3.12%**	6,545,454	1.93%
Paul Watts	**–**	**–**	**–**	**–**	–	–
Ginny Warr	**–**	**–**	**–**	**–**	–	–
Barney Quinn**	**N/A****	**N/A****	**N/A****	**N/A****	1,034,595	0.30%

* This follows a 50:1 share consolidation on 19 September 2023
** Barney Quinn retired from the Board on 30 September 2023

Approved by the Board and signed on its behalf by:

Ginny Warr
Chair of the Remuneration Committee
28 October 2024

Directors' report

The Directors present their report and audited consolidated financial statements for the year ended 30 April 2024.

Principal activity

The principal activity of the Group (which for the Strategic Report and Corporate Governance sections of this annual report incorporates the activities of the Group subsidiaries) for the year under review was the provision of a procurement intelligence solution via a cloud-based software as a service platform that incorporates data analytics software, data capture, data mining and workflow management.

Financial results

Details of the Group's financial results are set out in the consolidated statement of comprehensive income and other components of the financial statements on pages 42 to 65.

Business and strategic review

The review of the Group's business operations, including key performance indicators and principal risks and uncertainties, are set out in the Strategic Report section on pages 00 to 23 along with this Directors' report.

Dividends

The Directors do not recommend the payment of a dividend for the year ended 30 April 2024 (2023: £nil).

Directors

The Directors who served during the year ended 30 April 2024 and up to the signing of this annual report (unless otherwise stated) are as follows:

- James Appleby, Non-Executive Chairman
- Paul Watts, Executive Director and Chief Executive Officer
- Ginny Warr, Non-Executive Director
- Barney Quinn, Non-Executive Director (retired effective 30 September 2023)

Directors' indemnities

A directors' and officers' insurance policy has been put in place to indemnify the Directors against legal actions by third parties.

Significant shareholders

As at 30 April 2024, to the best of the Company's knowledge, the following shareholders had a significant interest in the Company's issued share capital:

Name	Number of shares	% of issued share capital
Canaccord Genuity Wealth Management	4,355,000	24.66
Octopus Investments	3,886,000	22.01
First Equity Ltd	1,450,000	8.21
Gresham House Asset Management Ltd	1,065,500	6.03
Rathbones Investment Management	1,021,074	5.78
Bottomley Family	799,500	4.53
Amati AIM VCT plc	705,493	3.99
James Appleby	550,909	3.12

Directors' remuneration and interests

Details of the Directors' remuneration and interests in the ordinary shares of the Company are set out in the Remuneration Committee report on pages 32 to 33.

Subsequent events

The material post balance sheet events can be found in note 26 to the financial statements. In particular, this includes on the 28th October 2024 the Group successfully completing an equity fundraising round, raising £1.89m via a placing of shares and £1.2m from an issue of convertible loan notes, resulting in the Company issuing new shares and the conversion of existing convertible loan notes. Further, there is an intention from James Appleby, Non-Executive Chairman, to subscribe for £0.26m post release of the annual report.

Corporate governance

A review of the Group's corporate governance is provided in the Corporate Governance report on pages 26 to 29.

Employees

It is the Group's policy to involve employees in its progress, development and performance. During the year a series of briefings took place to keep employees informed of developments, financial performance and technical changes. The Group is committed to ensuring that equal opportunities are accorded to all its employees irrespective of age, gender and nationality in respect of training, career development and advancement.

Research and development activities

Key to the Group's strategy is the development of its owned software products; as such, the Company is committed to actively investing in the continued research and development of its software (SaaS) services platform to ensure that the Group remains at the forefront of the procurement intelligence market that it serves. Where specific internal development cost meets the required criteria under IAS 38, these amounts have been capitalised at the cost incurred.

Political and charitable donations

During the year, the Group made no political donations (2023: £nil) and made charitable donations of £500 (2023: £1,039).

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (primarily foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of markets and seeks to minimise potential adverse effects on the Group's financial performance. Financial risk management is carried out by the Board and its policies are outlined in note 22 to the financial statements.

A summary of key risks and their mitigation is shown on pages 19 to 21.

Subsidiary audit exemption

The wholly owned UK subsidiaries of Rosslyn Data Technologies plc being Rosslyn Analytics Limited (company number 05450134) and Rosslyn Data Management Limited (company number 03842863) are exempt from the requirements of Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A.

Auditor

CLA Evelyn Partners Limited have expressed their willingness to continue in office as auditor. A resolution to reappoint CLA Evelyn Partners Limited as the Company's auditor will be proposed at the Company's next Annual General Meeting.

Disclosure of information to auditor

In the case of each person who was a director at the time this report was approved:

- so far as that director was aware there was no relevant audit information of which the Company and the Group's auditor was unaware; and
- that director had taken all steps that the director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company and the Group's auditor was aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Going concern

The Directors have run various scenario planning forecasts alongside their best-estimate forecast assumptions, including a scenario in which sales growth falls below management expectations and various cash mitigation measures are implemented, which all indicate sufficient cash resources to continue to finance the Company's working capital requirements over the forecast period of 18 months from the date of approval of these financial statements. However, if the Company is unable to deliver upon its proposed revenue projections, there is limited headroom in the current forecasts and, as such, there is considered to be a material uncertainty relating to going concern. Further detail can be found in the 'Going Concern' section of the Notes to the Financial Statements on page 46.

Directors' report continued

Statement of Directors' responsibilities in respect of the annual report and financial statements

The Directors are responsible for preparing the Group Strategic Report, the Directors' 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 elected to prepare the Group financial statements in accordance with UK-adopted international accounting standards, and the parent Company financial statements in accordance with FRS 102. 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 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether international accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company 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 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.

The Directors are also responsible for ensuring that they meet their responsibilities under the AIM Rules.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Annual General Meeting

The Company's 2023 Annual General Meeting ("AGM") was held on 23 November 2023. The results of voting were published via the Regulatory News Service and on the Company's website. The Company intends to hold its 2024 AGM at 10.00am on 3 December 2024 at its registered office at 6th Floor, 60 Gracechurch Street, London, EC3V 0HR. The notice of its 2024 AGM will be published in due course.

By order of the Board.

Paul Watts
Chief Executive Officer
28 October 2024

Independent auditor's report
to the members of Rosslyn Data Technologies plc

Opinion

We have audited the financial statements of Rosslyn Data Technologies Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Financial Position, the Company Statement of Changes in Equity and the notes to the financial statements, including material accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 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 April 2024 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 group and parent 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 as applied to listed entities, 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.

Our approach to the audit

Of the group's 3 reporting components, we subjected the 3 to audits for group reporting purposes along with the audit of the parent company.

The components within the scope of our work covered 100% of group revenue, 100% of group loss before tax, and 100% of group net assets.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Description of risk	How the matter was addressed in the audit
Revenue recognition (including accrued and deferred income)	The group's revenues are a principal consideration of its financial performance, inherently linked to the Management KPI of Annual Recurring Revenue ("ARR"), and are a key focus of Management to meet market expectations. The Group has different income streams of licence and service work with differing revenue recognition considerations. As a result there is a risk that revenue is incorrectly recognised.	We challenged management's revenue recognition accounting policies and related disclosures as described in Note 2 and 3 respectively. As part of our procedures we: ▪ Confirmed the appropriateness of the Group's revenue recognition policy with respect to the requirement of IFRS 15 "Revenue from Contracts with Customers" and checking that it has been consistently applied. ▪ Performed tests of detail over a sample of revenue transactions to determine whether the revenue recognised was complete, occured and was recognised in line with the Group's accounting policies and contract terms as agreed with customers. ▪ Tested a sample of deferred and accrued income to ensure that the related revenue was recognised in the correct period when the services were provided.

Independent auditor's report continued

to the members of Rosslyn Data Technologies plc

Key audit matter	Description of risk	How the matter was addressed in the audit
The cashflow projections which supports the going concern of the Group, the carrying value of intangible assets and the parent company inter-company receivables.	The group is loss making and has relied on debt and equity fund-raising in previous years. Management have prepared a budget and cashflow forecast indicating that in their view the Group and parent company can continue to operate as a going concern for at least 12 months from the date of approval of the financial statements. Cashflow forecasts are inherently judgemental, particularly around revenue forecasting, and subject to fluctuation. As a result these projections were a key area of audit focus. Furthermore the group has significant balances relating to intangible assets and the parent company has significant inter-company receivables which present an area of audit risk as the value of these is linked to the same forecasts.	We challenged the assumptions used in the cashflow forecasts for going concern and in respect of the impairment reviews for intangible assets disclosed in note 2 to the group financial statements and for inter-company balances as per note B to the parent company financial statements. The main procedures performed on the forecasts were: ▪ Challenging the assumptions used in the detailed budgets and forecasts prepared by management. ▪ Considering post year end trading performance compared to forecasts and anticipated out-turn for the rest of the financial year. ▪ Comparing the previous years forecasts to actual results achieved to assess past forecasting accuracy. ▪ Reviewing bank statements to monitor the cash position of the group post year end and obtaining an understanding of significant cash outflows expected. ▪ Using our internal valuation specialists to assess the appropriateness of the model, discount rate and other variables applied in the impairment assessment. ▪ Verifying the consistency of the forecasts and assumptions used in the impairment calculations with those used for going concern assessment where relevant. We assessed the appropriateness of disclosure around going concern, the intangible assets and the parent company receivables.
Capitalisation of intangible assets	The Group capitalises qualifying development costs as intangible assets, which are material to the Group's financial statements. Stringent requirements must be met to capitalise these costs in accordance with IAS 38.	We challenged the assumptions used in the impairment model for intangible assets described in note 2, as well as the costs being capitalised in the year. As part of our procedures we: ▪ Traced a sample of development costs capitalised in the year to supporting documentation. ▪ Assessed the costs capitalised at year-end against the recognition criteria of IAS 38. ▪ Considered the appropriateness of the disclosures made in the financial statements in respect of the intangible assets.
Convertible loan notes	The Group issued convertible loan notes in the year. The accounting treatment is highly judgemental needing to split out the equity and debt element in line with the nature of the agreement. As a result there is a risk related to the correct accounting and classification of the convertible notes as a compound instrument based on the terms of the agreement and whether a fixed number of shares are issued on conversion.	As part of our procedures regarding the convertible loan notes described in note 15 of the group financial statements, we have: ▪ Reviewed the underlying loan agreements to ensure the instruments are correctly accounted for and presented. ▪ Reviewed Management's amortised cost calculations for the debt element to ensure it is correctly measured. ▪ Reviewed the model used to calculate the value of the equity and liability portions in conjunction with our internal valuation specialists. ▪ Reviewed the covenants to ensure the correct current and non-current split. ▪ Reviewed the disclosures in note 15 to ensure consistency with the terms of the underlying instrument

Our application of materiality

The materiality for the group financial statements as a whole ("group FS materiality") was set at £57,000. This has been determined with reference to the benchmark of the group's revenue, which we consider to be one of the principal considerations for members of the company in assessing the group's performance. Group FS materiality represents 2% of the revenue as presented on the face of the Consolidated Statement of Comprehensive Income.

The materiality for the parent company financial statements as a whole ("parent FS materiality") was set at £37,050. This has been determined with reference to the benchmark of the parent company's total assets as it exists only as a holding company for the group and carries on no trade in its own right. Parent FS materiality represents 1.3% of the parent company's total assets as presented on the face of the parent company statement of financial position.

Performance materiality for the group financial statements was set at £37,050, being 65% of group FS materiality, for purposes of assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures. We have set it at this amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds group FS materiality. We judged this level to be appropriate based on our understanding of the group and its financial statements, as updated by our risk assessment procedures and our expectation regarding current period misstatements including considering experience from previous audits.

Performance materiality for the parent company financial statements was set at £29,600, being 80% of parent FS materiality based on our overall expectation of the level of audit differences, and the number and significance of areas of judgement in the financial statements.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements concerning the group and parent company's ability to continue as a going concern. Additionally, refer to the KAMs section of this report for consideration of the key audit matter on underlying projections and how they were addressed.

In the reporting period, the group has recorded a loss after tax of £3.4m.

As disclosed in note 26, the group has successfully recently raised funds post year end. The directors have prepared cash flow projections to April 2026 to support their decision to use the going concern basis and these projections rely on future cash flows from new business which are not yet secured and the timing also remains uncertain. If new business did not materialise as forecast then Management would consider cost cutting and alternative funding solutions.

As stated in note 2, these conditions indicate that a material uncertainty exists that may cast significant doubt on the group and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter. Notwithstanding the above, 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.

Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- Challenging the assumptions used in the detailed budgets and forecasts prepared by management for the going concern period.
- Considering post year end trading performance compared to forecasts and anticipated out-turn for the rest of the financial year
- Reviewing bank statements to monitor the cash position of the group post year end and obtaining an understanding of significant expected cash outflows (such as capital expenditure) in the forthcoming 12-month period.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Emphasis of Matter – Valuation of intangible assets and inter-company receivables

We draw attention to note 2 in the financial statements concerning the valuation of intangible assets and note B in the financial statements concerning the carrying value of the inter-company receivables. Additionally, refer to the KAMs section of this report for consideration of the key audit matter on underlying projections and how they were addressed.

Within the group's financial statements, the carrying value £1.6m of intangible assets are dependent upon the future cash flows generated by ongoing subsidiary operations. There is also £4.6m in intercompany receivables in the parent company financial statements; the recoverability of this balance is also dependent on the subsidiaries ability to generate future cash flows. The subsidiary operations, in turn, rely on the successful commercialisation, value, and timing of product sales. The ultimate result of these circumstances cannot be determined at this time, and the financial statements do not account for any provision that might be necessary should the subsidiary's cash flows deviate from the forecast.

Independent auditor's report continued

to the members of Rosslyn Data Technologies plc

In the above both cases our opinion is not modified in respect of these matters.

Other information

The other information comprises the information included in the Annual Reports and Accounts, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Accounts. 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. 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 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

As explained more fully in the directors' responsibilities statement set out on page 36, 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.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We obtained a general understanding of the Group's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Group's and parent company's industry and regulation.

We understand that the Group complies with the framework through:

- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.
- Outsourcing accounts preparation and tax compliance to external experts.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Group's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the group:

- The Companies Act 2006, IFRS and FRS 102 in respect of the preparation of the financial statements.
- General Data Protection Regulation (GDPR) relating to the holding of customer data.
- ISO 27001 accreditations.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Inspected the ISO 27001 certification to confirm accreditation
- Enquired with Management if there have been any GDPR breaches in the year

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.

The areas identified in this discussion were:

- Manipulation of the financial statement, particularly revenue, via fraudulent journal entries.
- The incentive to present a misleading view of the business' financial performance and position given the Group's listed status, which might lead to misrepresentations through actions such as mis-stating revenues, presenting overly optimistic forecasts to support the carrying value of intangible assets, inter-company receivable balances and to support the going concern presumption.

These areas were communicated to the other members of the engagement team not present at the discussion. The procedures we carried out to gain evidence in the above areas included:

- Substantive work on material areas
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.
- Challenging management regarding the assumptions used in the estimates and judgements areas.

A further description of our responsibilities is available on the FRC'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 parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Edmonds
Senior Statutory Auditor, for and on behalf of

CLA Evelyn Partners Limited
Statutory Auditor
Chartered Accountants

4th Floor
Cumberland House
15-17 Cumberland House
Southampton
SO15 2BG

Consolidated statement of comprehensive income for the year ended 30 April 2024

	Note	30 April 2024 £'000	30 April 2024 £'000	30 April 2023 £'000	30 April 2023 £'000
Continuing operations					
Revenue	3		**2,854**		3,012
Cost of sales			**(1,746)**		(1,968)
Gross profit			**1,108**		1,044
Operating expenses			**(4,651)**		(3,807)
Analysed as					
Administrative expenses		**(4,124)**		(3,352)	
Depreciation and amortisation		**(431)**		(366)	
Share-based payments		**(96)**		(89)	
		(4,651)		(3,807)	
Operating loss			**(3,543)**		(2,763)
Finance income	5		**2**		3
Finance costs	5		**(53)**		–
Loss before income tax	6		**(3,594)**		(2,760)
Income tax	7		**235**		664
Loss for the year for continued operations			**(3,359)**		(2,096)
Profit for the year from discontinued operations	25		**–**		2,468
(Loss)/profit for the year			**(3,359)**		372
Other comprehensive (loss)/income – translation differences			**(16)**		28
Total comprehensive (loss)/income			**(3,375)**		400

(Loss)/profit per share			**Pence**		Pence
Basic and diluted loss per share:					
ordinary shareholders – Continued	8		**(25.1)**		(30.6)
Basic (loss)/profit per share:					
ordinary shareholders – Total	8		**(25.1)**		5.9
Diluted (loss)/profit per share: ordinary shareholders – Total	8		**(25.1)**		5.7

The notes on pages 46 to 65 form part of these financial statements.

Consolidated statement of financial position

as at 30 April 2024

	Note	30 April 2024 £'000	30 April 2023 £'000
Assets			
Non-current assets			
Intangible assets	9	**1,620**	1,372
Property, plant and equipment	10	**30**	–
Right-of-use assets	11	**–**	162
		1,650	1,534
Current assets			
Trade and other receivables	12	**854**	969
Corporation tax receivable		**475**	852
Cash and cash equivalents	13	**646**	767
Total current assets		**1,975**	2,588
Total assets		**3,625**	4,122
Liabilities			
Non-current liabilities			
Trade and other payables	14	**–**	(114)
Deferred tax	16	**–**	–
Financial liabilities – borrowings	15	**(327)**	–
Total non-current liabilities		**(327)**	(114)
Current liabilities			
Trade and other payables	14	**(2,043)**	(2,001)
Financial liabilities – borrowings	15	**–**	(96)
Total current liabilities		**(2,043)**	(2,097)
Total liabilities		**(2,370)**	(2,211)
Net assets		**1,255**	1,911
Equity			
Called up share capital	18	**4,415**	1,699
Share premium		**18,923**	18,923
Convertible debt option reserve		**189**	–
Share-based payment reserve		**34**	320
Accumulated loss		**(27,348)**	(24,089)
Translation reserve		**(91)**	(75)
Merger reserve		**5,133**	5,133
Total equity		**1,255**	1,911

The notes on pages 46 to 65 form part of these financial statements.

The financial statements were approved by the Board of Directors on 28 October 2024 and were signed on its behalf by:

Paul Watts
Chief Executive Officer

Consolidated statement of changes in equity

for the year ended 30 April 2024

	Note	Called up share capital £'000	Accumulated loss £'000	Translation reserve £'000	Convertible debt option reserve £'000	Share-based payment reserve £'000	Share premium £'000	Merger reserve £'000	Total equity £'000
Balance at 1 May 2022		1,699	(24,485)	(103)	–	255	18,923	5,133	1,422
Profit for the year		–	372	–	–	–	–	–	372
Other comprehensive income		–	–	28	–	–	–	–	28
Lapsed options	23	–	24	–	–	(24)	–	–	–
Share-based payment transaction	23	–	–	–	–	89	–	–	89
Balance at 30 April 2023		1,699	(24,089)	(75)	–	320	18,923	5,133	1,911
Balance at 1 May 2023		1,699	(24,089)	(75)	–	320	18,923	5,133	1,911
Loss for the year		–	(3,359)	–	–	–	–	–	(3,359)
Issue of convertible loan		–	–	–	239	–	–	–	239
Shares issued during the year		2,716	–	–	–	–	–	–	2,716
Issue costs		–	(282)	–	(50)	–	–	–	(332)
Other comprehensive income		–	–	(16)	–	–	–	–	(16)
Lapsed options	23	–	382	–	–	(382)	–	–	–
Share option reserve transfer	23	–	–	–	–	96	–	–	96
Balance at 30 April 2024		**4,415**	**(27,348)**	**(91)**	**189**	**34**	**18,923**	**5,133**	**1,255**

The merger reserve arises from the Group reorganisation that occurred on 23 April 2014. Rosslyn Data Technologies plc acquired Rosslyn Analytics Limited in a share-for-share transaction. There was no change in rights or proportions of control in the Group as a result of this transaction. As common control exists IFRS 3 was deemed to not apply, and this has been accounted for as a capital reorganisation. The difference between the share capital and share premium of the Company and the share capital and share premium of Rosslyn Analytics Limited at 23 April 2014 is recognised in the merger reserve.

The translation reserve comprises translation differences arising from the translation of financial statements of the Group's foreign entities (Rosslyn Analytics, Inc.) into sterling (£).

The accumulated loss reserve includes all current and prior period retained profits and losses.

The share-based payment reserve comprises the fair value of options granted under the Group's Enterprise Management Incentive Scheme, less reductions for those options that lapsed during the year.

The notes on pages 46 to 65 form part of these financial statements.

Consolidated statement of cash flows

for the year ended 30 April 2024

	Note	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Cash flows used in operating activities			
Cash used in operations	See below	**(2,810)**	(2,668)
Finance income	5	**2**	3
Finance costs	5	**(9)**	–
Corporation tax received/(paid)		**612**	(27)
Net cash used in operating activities		**(2,205)**	(2,692)
Cash flows (used in)/generated from investing activities			
Purchase of property, plant and equipment	10	**(39)**	(6)
Acquisition of intangible assets	9	**(644)**	(535)
Cash received on disposal of operation		**–**	1,512
Net cash (used in)/generated from investing activities		**(683)**	971
Cash flows generated from financing activities			
New loans in year	15	**600**	160
Repayment of borrowings	15	**(96)**	(64)
Convertible loan issue costs		**(128)**	–
Issue of shares		**2,716**	–
Expenses related to the issue of shares		**(282)**	–
Repayment of capital element of obligations under leases	15	**(27)**	(69)
Net cash generated from financing activities		**2,783**	27
Net decrease in cash and cash equivalents		**(105)**	(1,694)
Cash and cash equivalents at beginning of year	13	**767**	2,433
Foreign exchange (losses)/gains		**(16)**	28
Cash and cash equivalents at end of year	13	**646**	767

Reconciliation of loss before income tax to cash used in operations

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Loss before income tax	**(3,594)**	(292)
Depreciation, amortisation and impairment charges	**431**	366
Share-based payment transactions	**96**	89
Finance income	**(2)**	(3)
Gain on disposal of operations	**–**	(2,468)
Disposal of leases	**(6)**	(5)
Finance costs	**53**	–
	(3,022)	(2,313)
Decrease/(increase) in trade and other receivables	**115**	(149)
Increase/(decrease) in trade and other payables	**97**	(206)
Cash used in operations	**(2,810)**	(2,668)

The notes on pages 46 to 65 form part of these financial statements.

Notes to the consolidated financial statements
for the year ended 30 April 2024

1. General information

Rosslyn Data Technologies plc (the "Company") is a company incorporated and domiciled in the UK. It is quoted on AIM, a market of the London Stock Exchange. The address of the registered office is 6th Floor, 60 Gracechurch Street, London, EC3V 0HR. The Company is the ultimate parent company of Rosslyn Analytics Limited and Rosslyn Data Management Limited, companies incorporated in the UK, and the ultimate parent company of Rosslyn Analytics, Inc., a company incorporated in the USA (collectively, the "Group"). The Group's principal activity is the provision of procurement data analytics using a proprietary form, data capture, data mining and workflow management.

The financial statements are presented in British Pounds Sterling (£), the currency of the primary economic environment in which the Group's activities are operated in and reported in £'000. The financial statements are for the year ended 30 April 2024.

2. Accounting policies

Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The Group financial statements have been prepared under the historical cost convention subject to fair valuing certain financial instruments and in accordance with UK-adopted international accounting standards.

The parent company's financial statements have been prepared under applicable United Kingdom accounting standards (FRS 102) and are on pages 66 to 73.

Going concern

Information on the business environment and the factors underpinning the Group's future prospects and product portfolio are included in the CEO's statement. The cash balance at 30 April 2024 was £0.6m and on the 28th October 2024 the Group successfully completed an equity fundraising round, raising £1.89m via a placing of shares and £1.2m from an issue of convertible loan notes. Further, there is an intention from James Appleby, Non-Executive Chairman, to subscribe for £0.26m post release of the annual report. The Group has performed prudent scenario analysis on revenue and cost performance covering the period up to April 2026. These demonstrate that the Group can meet its liabilities as they fall due.

After making appropriate enquiries, the Directors consider that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements, accordingly, the financial statements do not include any adjustments which would be required if the going concern basis of preparation was deemed to be inappropriate. However, if the Group is unable to generate its proposed revenue projections, particularly around the levels and timing of new business forecast that have not been secured yet included in the projections, there is limited headroom in the current forecasts and as such there is considered to be a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Should the Group not meet those new revenue predictions, management plans to cut costs or look to raise capital from a number of different funding options.

Basis of consolidation

The consolidated statement of comprehensive income and statement of financial position include the financial statements of the Company and its subsidiary undertakings as of 30 April 2024.

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the Company and its subsidiaries (the "Group") as if they formed 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 acquisition method.

In the consolidated balance sheet, 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.

2. Accounting policies continued

Transactions eliminated on consolidation

Intragroup balances, and any gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial information.

Judgements and estimates

The preparation of the financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

The following are key sources of estimation uncertainty and critical accounting judgements:

Judgements

- Development costs capitalised as intangible assets – Management exercises judgement in determining whether the costs can be capitalised. Management look for costs that can be directly attributable, and also measurable, to a particular project when deciding on capitalisation. During the year, the Group has capitalised intangible assets development costs of £644,000 (2023: £535,000), which relate specifically to the Rosslyn Platform redevelopment.
- Management have exercised judgement in reviewing the terms of the convertible loan notes, particularly around whether a fixed number of shares are to be issued on conversion to ensure that they are correctly accounted for as debt and equity in line with the nature of the agreement.

Estimates

- Recognition of professional services revenue – For projects that are in progress, management assesses how far through to completion then recognise revenue using time management records and expectation of total time required based on prior projects.
- Impairment of intangible assets – Management have carried out an impairment review based on the recoverable amount using a discounted cash flow model. No impairment is considered necessary, but this is dependent upon future cash flows generated by the continuing subsidiary operations, which themselves are dependent on the successful commercialisation, value and timing of product sales. The Directors performed sensitivity analysis on the net present value of future income streams of the Group to consider whether there are any indicators of impairment to the carrying amount of intangible assets of £1,620,000 (2023: £1,372,000). A 10% change in new business revenues results in a £2,597,000 reduction in the net present value of the future income streams of the Group. New business revenues would need to decrease by 20% before an impairment charge is required for the carrying value of the intangibles asset. The ultimate result of these assumptions cannot be determined at this time, and the financial statements do not account for any impairment provision that might be necessary should the group's cash flows deviate from the forecast.

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable and represents amounts for services provided to third parties in the normal course of business during the year, net of value-added tax, and results from the principal activities of the Group.

Each element of revenue (described below) is recognised only when:

- the consideration receivable is fixed or determinable; and
- collection of the amount due from the customer is reasonably assured.

i) Initial data processing and analysis in connection with the deployment and customisation of the Group's proprietary solutions are recognised over the corresponding period of the related customer contract.

ii) Annual licence fees are recognised on a straight-line basis over the period of the contractual term.

iii) Any revenue arising from consultancy or professional services work is recognised as such services are delivered.

Services that have been delivered at the end of a financial period but which have not been invoiced at that time are recognised as revenue and shown within accrued revenue in the statement of financial position.

Advance payments from customers are included within deferred income in the statement of financial position. Such amounts are recognised as the services are provided to the customer in accordance with points (i) to (iii) as set out above.

Cost of sales

Cost of sales includes utilised data storage costs proportionate to the amount utilised to service customers, together with third-party costs for software licences supplied to customers.

Notes to the consolidated financial statements continued for the year ended 30 April 2024

2. Accounting policies continued

Other intangible assets

All finite-lived intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

- Internally developed software – five years straight line

Amortisation has been included within depreciation, amortisation and impairment of non-financial assets.

Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. When parts of an item of property, plant and equipment have different useful lives, those components are accounted for as separate items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- Fixtures, fittings, and equipment – 18 to 36 months straight line

Impairment review of intangible assets

The intangible assets, with the exception of goodwill, are being amortised over their useful economic lives, however management still tests intangible assets for impairment if and when indicators of impairment arise. Where such an indication exists, management estimates the fair value less costs to sell of the assets based on the net present value of future cash flows. The Directors have considered whether there are any indicators of impairment to the carrying amount of intangible assets of £1,620,000 (2023: £1,372,000), and there is considered to be no requirement for impairment in this financial year.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantively enacted by the statement of financial position date.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences are not provided for the initial recognition of other assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2. Accounting policies continued

Research and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An intangible asset arising from development or the development phase of an internal project is recognised if the Group can demonstrate:

a. the technical feasibility of completing the intangible asset so that it will be available for sale or use;
b. the intention to complete the development;
c. the ability to use or sell the intangible asset;
d. how the intangible asset will generate probable future economic benefits (for example, the existence of a market for the output of the intangible asset or for the intangible asset itself);
e. the availability of resources to complete the development; and
f. the ability to measure the attributable expenditure reliably.

This financial year the development costs of the new Rosslyn Platform have been able to be identified meeting the tests above and have therefore been capitalised.

Foreign currencies

The functional currency of the Company is pounds sterling because that is the currency of the primary economic environment in which the Company operates. The Company's presentation currency is pounds sterling.

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result and are recognised in administrative expenses.

Group companies

The results and financial position of all the Group entities (none of which have the currency of a hyperinflation economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each income statement presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income. The following exchange rates were applied for £1 at each year end:

	2024	2023
US dollars	**1.25**	1.26
Euros	**1.17**	1.14

Retirement benefits

The Group operates a defined contribution scheme. Contributions payable to the Group's pension scheme are charged to the income statement in the period to which they relate.

Leases

Right of use assets and lease liabilities are recognised and measured in accordance with IFRS 16. A right of use asset and a lease liability has been recognised for all leases except leases of low value assets, which are considered to be those with a fair value below £4,500, and those with a duration of 12 months or less. The lease liabilities are measured at the present value of the lease payments due to the lessor over the lease term, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Notes to the consolidated financial statements continued for the year ended 30 April 2024

2. Accounting policies continued

Trade and other payables

Trade payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the expected payment period is not considered to be material.

Financial assets

Classification

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Investments other than investments in subsidiaries are classified as either held-for-trading or not at initial recognition. At the year end date all investments are classified as not held for trading.

Trade receivables

Trade receivables are held in order to collect the contractual cash flows and are initially measured at the transaction price as defined in IFRS 15, as the contracts of the Group do not contain significant financing components.

Impairment losses are recognised based on lifetime expected credit losses in profit or loss.

Other receivables

Other receivables are held in order to collect the contractual cash flows and accordingly are measured at initial recognition at fair value, which ordinarily equates to cost and are subsequently measured at cost less impairment due to their short-term nature.

A provision for impairment is established based on 12-month expected credit losses unless there has been a significant increase in credit risk when lifetime expected credit losses are recognised. The amount of any provision is recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances held by the Group and overnight call deposits.

Financial instruments

Financial liability and equity instruments issued by the Group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Convertible debt

The proceeds received on issue of the Group's convertible debt are allocated into their liability and equity components and presented separately in the balance sheet. Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that did not include an option to convert. This is then measured at amortised cost.

The difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited direct to equity.

On conversion, the debt and equity elements are credited to share capital and share premium as appropriate, with no gain or loss recognised.

Share capital and share premium

Ordinary shares are classified as equity. Share premium is the amount subscribed for share capital in excess of nominal value less any costs directly attributable to the issue of new shares. Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from the proceeds.

Share-based payments

The Group operates an equity-settled, share-based compensation plan, the Enterprise Management Incentive (EMI) Scheme. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted calculated using an appropriate option pricing model. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. Options issued under the scheme to Non-Executive Directors and other individuals who are not employees of the UK Company follow the EMI rules but are considered non-qualifying EMI options for tax purposes.

Where a scheme is cancelled with replacement equity issued for the cancelled scheme, then this is accounted for as a modfication with the incremental fair value (comparing the fair value of the equity under the old scheme and the equity instruments under the new scheme at the date of modifiation) being accounted for over the vesting period.

2. Accounting policies continued

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect is material, provisions are discounted at a rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised in finance costs.

Net finance costs

Finance costs

Finance costs comprise interest payable on borrowings and direct issue costs.

Finance income

Finance income comprises interest receivable on funds invested. Interest income is recognised in the income statement as it accrues using the effective interest method.

Standards, amendments and interpretations

The following new and amended Standards and Interpretations effective for the financial year beginning 1 May 2023 have been adopted. The adoption of these standards has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of accounting estimates.
- IAS 1 Presentation of Financial Statements: Disclosure initiative – accounting policies.

Standards not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

- Non-current liabilities with covenants (Amendments to IAS 1)
- Lease liability in a sale and leaseback (Amendments to IFRS 16).
- Disclosure of supplier finance arrangements (Amendments to IAS 7 and IFRS 7)

The Group does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Group.

Notes to the consolidated financial statements continued for the year ended 30 April 2024

3. Segmental reporting

Management has determined the operating segments based on the operating reports reviewed by the Directors that are used to assess both performance and strategic decisions. Management has identified that the Directors are the Chief Operating Decision Maker in accordance with the requirements of IFRS 8 Operating segments.

The determination is that the Group operates as a single segment, as no internal reporting is produced either by geography or division. The Group views performance on the basis of the type of revenue, and the end destination of the client as shown below.

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Annual licence fees	2,252	2,406
Professional services	602	606
Total revenue	2,854	3,012

Analysis of revenue by country	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
United Kingdom	1,163	1,528
Europe	880	520
North America	811	964
Total revenue	2,854	3,012

Included in Europe is Switzerland, which had revenues of £398,000 in the year ended 30 April 2024 (2023: £255,000). Included in North America is the USA, which had revenues of £811,000 in the year ended 30 April 2024 (2023: £964,000).

Analysis of future obligations:	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Performance obligations to be satisfied in the next year	2,005	1,725
Performance obligations to be satisfied after 12 months from the balance sheet date	1,152	125
Total future performance obligations	3,157	1,850

There were two (2023: two) significant customers who made up greater than 10% of total revenue in the year. Customer 1 generated revenue of £328,000 and customer 2 generated revenue of £215,000. The following revenue arose from the Group's largest customer in each year:

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Annual licence fees	209	178
Professional services	119	167
Total revenue	328	345

4. Employees and Directors

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Wages and salaries	**2,935**	3,466
Social security costs	**341**	411
Other pension costs	**101**	107
Termination/severance pay	**158**	170
Share-based payment expense – Directors	**86**	71
Share-based payment expense – staff	**10**	18
	3,631	4,243

The average monthly number of employees during the years was as follows:

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Management	**4**	6
Research and development	**15**	13
Sales, marketing and administration	**22**	32
	41	51

The Employees and Directors note above includes costs and average number of employees for both continued and discontinued operations.

Key Management Personnel comprised the Board of Directors and the Chief Financial Officer. The remuneration of all Key Management Personnel was as follows:

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Emoluments	**529**	490
Social security costs	**67**	37
Pension contributions to money purchase schemes	**38**	33
The number of Key Management Personnel to whom retirement benefits were accruing was as follows:		
Money purchase schemes	**1**	2

During the year nil (2023: nil) members of the Key Management Personnel exercised share options. Details are shown in the Remuneration Report. Information regarding the highest paid Director is as follows:

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Aggregate emoluments	**258**	183

There were pension contributions in respect of the highest paid Director of £22,000 (2023: £18,000). The highest paid Director exercised nil (2023: nil) share options during the year (see note 23).

Notes to the consolidated financial statements continued for the year ended 30 April 2024

5. Net finance costs

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Finance income		
Interest receivable	**2**	3
Finance costs		
Convertible loan interest payable	**(44)**	–
Other interest paid	**(9)**	–
Net finance income/(costs)	**(51)**	3

6. Loss before income tax

The loss before income tax is stated after charging/(crediting):

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Share-based payments	**96**	89
Depreciation – owned assets	**9**	19
Amortisation – owned assets	**396**	268
Depreciation of right-of-use assets	**26**	79
Loss on disposal of right-of-use-assets	**78**	–
Auditor's remuneration – audit of the Group and Company financial statements	**78**	83
Foreign exchange loss/(gains)	**11**	(10)

The adjusted EBITDA is calculated as shown below:

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Operating loss	**(3,543)**	(2,763)
Depreciation and amortisation	**431**	366
Share-based payments	**96**	89
Exceptional costs	**499**	260
Adjusted EBITDA*	**(2,517)**	(2,048)

* Exceptional costs include £195,000 (2023: £108,000) relating to old contract issues, £30,000 (2023: £Nil) management consultancy costs, £190,000 (2023: £152,000) of employment restructuring costs and £84,000 (2023: £Nil) relating to the surrender of a lease.

7. Income tax

Analysis of income tax

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Current tax		
Corporation tax on losses of the year	**(235)**	(226)
Prior year adjustment	**–**	(451)
Overseas tax	**–**	(14)
Total current tax (including discontinued operations)	**(235)**	(691)
Deferred tax		
Origination and reversal of timing differences (see note 16)	**–**	–
Total tax (including discontinued operations)	**(235)**	(691)
Tax attributable to:		
Loss from continuing operations	**(235)**	(664)
Profit from discontinued operations	**–**	(27)

7. Income tax continued

Factors affecting the tax credit

The differences between the total current tax shown above and the amount calculated applying the standard rate of UK corporation tax to the loss before tax are explained below:

	Year ended 30 April 2024 £'000	Year ended 30 April 2023 £'000
Loss from continuing operations before income tax expense	**(3,594)**	(2,760)
Profit from discontinued operations before income tax expense	**–**	2,441
Loss from total operations	**(3,594)**	(319)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25.00% (2023: 19.49%)	**(899)**	(62)
Effects of:		
Prior year adjustment	**–**	(451)
Disallowable expenses	**76**	31
Additional deduction for R&D expenditure	**(270)**	–
Surrender of tax losses for R&D tax credit refund	**351**	–
Movement in deferred tax not recognised	**507**	–
Income not taxable	**–**	(241)
Double taxation relief	**–**	(14)
Remeasurement of deferred tax for changes in tax rates	**–**	16
Unrecognised deferred tax asset on losses	**–**	30
Total tax	**(235)**	(691)

8. (Loss)/profit per share

Basic earnings per share is calculated by dividing the net (loss)/profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net (loss)/profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

	Year ended 30 April 2024	Year ended 30 April 2023
(Loss)/profit for the year attributable to the owners of the parent	**(£3,375,000)**	£400,000

	2024 Number	2023 Number
Weighted average number of shares		
Weighted average number of shares in issue during the year	**142,667,092**	339,862,521
Weighted average number of shares post consolidation*	**13,445,047**	6,797,250
Dilutive effect of share options**	**459,141**	12,021,429
Number of dilutive effect of share options post consolidation*	**–**	240,429
Total number of dilutive effect of share options	**13,904,188**	7,037,679

	Pence	Pence
Basic and diluted loss per share: ordinary shareholders – continued	**(25.10)**	(30.6)
Basic and diluted profit per share: ordinary shareholders – discontinued	**–**	36.5
Basic profit/(loss) per share: ordinary shareholders	**(25.10)**	5.9
Diluted profit/(loss) per share: ordinary shareholders	**(25.10)**	5.7

* Ordinary shares and share options have been restated to reflect the share consolidation of a ratio of 50:1 which took place on 19 September 2023.

** At 30 April 2024 there were 459,141 share options outstanding, all of these 459,141 were not included in the calculation of diluted earnings per share as these are anti-dilutive in terms of IAS 33. As at 30 April 2024 there were 13,675,638 share options outstanding, of these 13,675,638 were not included in the calculation of diluted earnings per share as these are anti-dilutive in terms of IAS 33.

Notes to the consolidated financial statements continued for the year ended 30 April 2024

9. Intangible assets

	Internally developed software £'000
Cost	
At 1 May 2022	1,105
Additions	535
At 30 April 2023	1,640
At 1 May 2023	1,640
Additions	644
At 30 April 2024	**2,284**
Accumulated amortisation	
At 1 May 2022	–
Amortisation	268
At 30 April 2023	268
At 1 May 2023	268
Amortisation	396
At 30 April 2024	**664**
Net book value	
At 30 April 2023	1,372
At 30 April 2024	**1,620**

10. Property, plant and equipment

	Fixtures, fittings and equipment £'000
Cost	
At 1 May 2022	124
Additions	6
Disposals	(96)
At 30 April 2023	34
At 1 May 2023	34
Additions	39
At 30 April 2024	**73**
Accumulated depreciation and impairment	
At 1 May 2022	108
Charge for the year	19
Depreciation eliminated on disposal	(93)
At 30 April 2023	34
At 1 May 2023	34
Charge for the year	9
At 30 April 2024	**43**
Net book value	
At 30 April 2023	–
At 30 April 2024	**30**

11. Leases

	Land and buildings £'000
Right-of-use assets	
At 1 May 2022	236
Disposals	(13)
Depreciation	(79)
Depreciation eliminated on disposal	18
At 30 April 2023	162
At 1 May 2023	162
Disposals	(136)
Depreciation	(26)
At 30 April 2024	**–**

Lease liabilities	
At 1 May 2022	247
Disposals	(10)
Lease payments	(69)
At 30 April 2023	168
At 1 May 2023	168
Disposals	(141)
Lease payments	(27)
At 30 April 2024	**–**

These liabilities were secured by the right-of-use assets in the consolidated statement of financial position. The minimum lease payments are £Nil (£168,000) and related to an office lease in Portsmouth. A settlement of £80,000 was paid to surrender the lease.

12. Trade and other receivables

	2024 £'000	2023 £'000
Amounts falling due within one year		
Trade receivables due but not past due	**363**	236
Trade receivables past due but not impaired	**6**	51
Trade receivables	**369**	287
Other receivables	**226**	246
Prepayments	**193**	396
Accrued revenue	**66**	40
	854	969

Trade and other receivables are all current and any fair value difference is not material. Trade receivables are considered past due once they have passed their due date. Trade receivables past due but not impaired are 60 days overdue (2023: 90 days).

The amounts included within trade receivables past due but not impaired for 2023 have been recovered since the statement of financial position date, therefore no provision for impairment has been made for these amounts in these financial statements.

Notes to the consolidated financial statements continued for the year ended 30 April 2024

12. Trade and other receivables continued

The movement on the provision for impairment of trade receivables is as follows:

	2024 £'000	2023 £'000
At start of year	–	83
Provision for receivables impairment	–	–
Provision release	–	(83)
At end of year	–	–

The provision for impaired receivables has been included in administrative expenses.

The below represents trade receivables held in foreign currencies at the statement of financial position date:

	2024 £'000	2023 £'000
US dollars	53	118
Euros	46	10
	99	128

13. Cash and cash equivalents

	2024 £'000	2023 £'000
Cash at bank	646	767

The following amounts were held in foreign currencies at the statement of financial position date:

	2024 £'000	2023 £'000
US dollars	207	337
Euros	32	28
	239	365

14. Trade and other payables

	2024 £'000	2023 £'000
Non-current		
Other payables	–	114
	–	114
Current		
Trade payables	703	602
Social security and other taxes	184	80
Other payables	37	108
Accruals	343	267
Deferred revenue	776	944
	2,043	2,001

During the year, the Group recognised revenue of £925,545 (2023: £599,844) that was included in the deferred revenue balance at the beginning of the period.

15. Borrowings and Lease Liabilities

	2024 £'000	2023 £'000
Current		
Unsecured loans	–	96
Non-current		
Convertible loans	327	–
	327	96

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

	Currency	Nominal interest rate	Year of maturity	2024 Face value £'000	2024 Carrying value £'000	2023 Face value £'000	2023 Carrying value £'000
Unsecured loans	GBP	17.47%	2024	–	–	96	96
Convertible loans	GBP	10.00%	2028	600	327	–	–
Total interest-bearing liabilities				600	327	96	96

In September 2023, the Group issued convertible loan notes of £600,000. The total balance may convert into a fixed amount of equity at an eligible conversion date, or will be paid as cash.

Details of the payment profile are included in note 22.

Reconciliation of financing liabilities

	Unsecured loans £'000	Lease liabilities £'000	Convertible loan £'000	Total financing liabilities £'000
At 1 May 2022	–	247	–	247
Additions	160	–	–	160
Disposals	–	(10)	–	(10)
Repayment	(64)	(69)	–	(133)
At 30 April 2023	96	168	–	264
At 1 May 2023	96	168	–	264
Additions	–	–	283	283
Disposals	–	(141)	–	(141)
Interest	–	–	44	44
Repayment	(96)	(27)	–	(123)
At 30 April 2024	–	–	327	327

There is no material difference between the book value and the fair value of the lease liabilities.

Notes to the consolidated financial statements continued for the year ended 30 April 2024

16. Deferred tax

At the balance sheet date, the Group had tax losses of £13,981,781 (2023: £13,480,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the remaining losses of £13,971,781 (2023: £13,972,000) due to the unpredictability of future profit streams. Substantially all of the losses may be carried forward indefinitely.

17. Net funds

Analysis of net funds

Net funds is the total of cash and cash equivalents less interest-bearing loans and borrowings. Cash and cash equivalents comprise cash balances, call deposits and other short-term liquid investments such as money market funds which are subject to an insignificant risk of a change in value.

	2024 £'000	2023 £'000
Cash and cash equivalents	**646**	767
Interest-bearing loans	**–**	(96)
Convertible loan	**(327)**	–
Net funds	**319**	671

18. Called up share capital

Allotted, issued and fully paid

Number	Class	Nominal value	2024 £'000	2023 £'000
17,659,275 (2023: 339,862,521)	Ordinary shares	£0.250 (2023: £0.005)	**4,415**	1,699
			4,415	1,699

On 19 September 2023, there were a further 543,101,200 shares of £0.005 each allotted. On the same day, the total share capital was consolidated at a rate of 50:1 reducing the share capital to 17,659,275 shares of £0.25 each.

19. Related party disclosures

During the year, the Group received invoices from a family member of a director for the provision of consultancy services for the sum of £28,000 (2023: £16,025). At 30 April 2024, £5,000 is unpaid and is included as a liability in the balance sheet.

20. Ultimate controlling party

There was no ultimate controlling party as at 30 April 2024 or 30 April 2023.

21. Pension commitments

The Group operates a number of defined contribution schemes. The assets of the schemes are held in independently administered funds. The pension cost charge represents contributions payable to the funds and amounted to £101,000 (2023: £113,000). At 30 April 2024 £19,000 (2023: £18,000) of pension contributions remain outstanding.

22. Financial instruments

Financial instrument risk exposure and management

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been changes to the Group's exposure to financial instrument risks. In September 2023 the group issued convertible loans with a value of £600,000. However, its objectives, policies and processes for managing those risks or the methods used to measure them have not changed from previous periods unless otherwise stated in this note.

Principal financial instruments

During the year, the principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- trade receivables;
- cash at bank;
- trade and other payables;
- bank loans; and
- convertible loans.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives regular reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

Categories of financial instrument	2024 £'000	2023 £'000
Current financial assets		
Trade and other receivables	**530**	287
Cash and cash equivalents	**646**	767
Accrued revenue	**66**	40
Total current financial assets	**1,242**	1,094
Current financial liabilities		
Trade and other payables	**703**	602
Lease liabilities	**–**	54
Loans and borrowings	**–**	96
Total current financial liabilities	**703**	752
Non-current		
Loans and borrowings	**327**	–
Lease liabilities	**–**	114
Total non-current financial liabilities	**327**	114

Notes to the consolidated financial statements continued for the year ended 30 April 2024

22. Financial instruments continued

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (primarily foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Board and its policies are outlined below.

a. Market risk

Foreign exchange risk

The Group is exposed to translation and transaction foreign exchange risk as it operates within the USA and other countries around the world and therefore transactions are denominated in sterling, euros, US dollars and other currencies. The Group policy is to try to match the timing of the settlement of sales and purchase invoices so as to eliminate, as far as possible, currency exposure.

The Group does not hedge any transactions and foreign exchange differences on retranslation of foreign currency monetary assets and liabilities are taken to the income statement.

The carrying value of the Group's foreign currency denominated assets and liabilities are set out below:

	2024		2023	
	Assets £'000	**Liabilities £'000**	Assets £'000	Liabilities £'000
US dollars	**325**	**329**	473	524
Euros	**103**	**89**	38	28
	428	**418**	511	552

The majority of the Group's financial assets are held in sterling but movements in the exchange rate of the US dollar and the euro against sterling have an impact on both the result for the year and equity. The Group considers its most significant exposure is to movements in the US dollar.

Sensitivity to reasonably possible movements in the US dollar exchange rate can be measured on the basis that all other variables remain constant. The effect on profit and equity of strengthening or weakening of the US dollar in relation to sterling by 10% would result in a movement of ±£10,000 (2023: ±£13,000).

b. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise this risk, the Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The maximum exposure to credit risk is the value of the outstanding amount of £969,000 (2023: £820,000).

Provision of services by members of the Group results in trade receivables which the management considers to be of low risk; other receivables are likewise considered to be low risk. The management does not consider that there is any concentration of risk within either trade or other receivables. During the year, there was a decrease of impairment of trade or other receivables of £Nil (2023: decrease of £83,000).

Credit risk on cash and cash equivalents is considered to be small as the counterparties are all substantial banks with high credit ratings. The maximum exposure is the amount of the deposit.

c. Liquidity risk

The Group currently holds cash balances in sterling, US dollars and euros to provide funding for normal trading activity. The Group also has access to additional equity funding and, for short-term flexibility, overdraft facilities would be arranged with the Group's bankers. Trade and other payables are monitored as part of normal management routine. Liabilities are disclosed as follows:

2024	**Within one year £'000**	**One to two years £'000**	**Two to five years £'000**	**Over five years £'000**
Trade payables	**703**	**–**	**–**	**–**
Accruals	**343**	**–**	**–**	**–**

2023	Within one year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade payables	602	–	–	–
Accruals	267	–	–	–

22. Financial instruments continued

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in a volatile and tight credit economy.

The Group will also seek to minimise the cost of capital and attempt to optimise the capital structure, which currently means maintaining equity funding and keeping debt to a manageable level. Share capital and premium together amount to £23,338,000 (see page 60).

Whilst the Group does not currently pay dividends it is part of the capital strategy to provide returns for shareholders and benefits for other members in the future. However, the Group is planning growth and it will continue to be important to maintain the Group's credit rating and ability to borrow should acquisition targets become available.

Capital for further development of the Group's activities will, where possible, be achieved by share issues and not by carrying significant debt.

23. Share-based payment transactions

The Directors approved the allocation of share-based payments to various staff members and key management personnel to help align employee interests with shareholder returns. Details of the share-based payment arrangement are described below:

A – Enterprise Management Incentive Scheme

Date of scheme	24 April 2014
Contractual life	10 years
Number of employees in scheme	14
Vesting conditions	Vest on grant/vest over 0-3 years

	2024	**Weighted average exercise price**	2023	Weighted average exercise price
Outstanding at start of year	**25,675,638**	**3.20p**	14,564,527	5.17p
Granted	**–**	**–**	12,250,000	0.99p
Exercised	**–**	**–**	–	–
Lapsed/cancelled options	**(25,675,638)**	**3.20p**	(1,138,889)	4.61p
Outstanding at end of year	**–**	**–**	25,675,638	3.20p

During the year, an expense of £41,749 (2023: £81,752) was recognised in relation to the scheme, based on the Black-Scholes option pricing model. The scheme was withdrawn during the year and replaced with a new scheme which is detailed within section C of this note.

£41,749 (2023: £81,752) was charged to the Company; the balance of £Nil (2023: £Nil) was charged to the subsidiaries where the employees are employed.

Notes to the consolidated financial statements continued for the year ended 30 April 2024

23. Share-based payment transactions continued

B – Unapproved share option scheme

Date of scheme	14 December 2022
Contractual life	10 years
Number of employees in scheme	1
Vesting conditions	Vest over 1 year

	2024	Weighted average exercise price
Outstanding at start of year	**5,000,000**	**0.99p**
Granted	–	–
Exercised	–	–
Lapsed/cancelled options	**(5,000,000)**	**0.99p**
Outstanding at end of year	–	–

The share-based payments become exercisable on the vesting date, and lapse on the 10th anniversary of the grant date.

During the year, an expense of £20,000 (2023: £7,000) was recognised in relation to the scheme, based on the Black-Scholes option pricing model. The scheme was withdrawn during the year and replaced with a new scheme which is detailed within section C of this note.

£20,000 (2023: £7,000) was charged to the Company; the balance of £Nil (2023: £Nil) was charged to the subsidiaries where the employees are employed.

C– Enterprise Management Incentives Share Option Plan

Date of scheme	27 September 2023
Contractual life	10 years
Number of employees in scheme	15
Vesting conditions	Vest over 5 years or satisfaction of performance condition

	2024	Weighted average exercise price	2023	Weighted average exercise price
Outstanding at start of year	–	–	–	–
Granted	**1,836,564**	**25.00p**	–	–
Exercised	–	–	–	–
Lapsed	–	–	–	–
Outstanding at end of year	**1,836,564**	**25.00p**	–	–

The share-based payments become exercisable on the vesting date, and lapse on the 10th anniversary of the grant date.

During the year, an expense of £34,341 (2023: £Nil) was recognised in relation to the scheme, based on the Black-Scholes option pricing model.

£34,341 (2023: £Nil) was charged to the Company; the balance of £Nil (2023: £Nil) was charged to the subsidiaries where the employees are employed.

Warrants

The Company's broker, Cavendish Securities plc (formerly Cenkos Securities plc), was granted warrants over 11,287,804 ordinary shares in the Company as part-payment for its services during a fundraising and acquisition in April 2017. The warrants were exercisable at a price of 4.5p per share between 15 May 2018 and 15 May 2022 provided that the closing mid-market price for the ordinary shares was at least 8p per share at the time of exercise. Cavendish Securities did not exercise the warrants, therefore, the warrants lapsed during the prior year.

24. Subsidiary audit exemption

The wholly owned UK subsidiaries of Rosslyn Data Technologies plc, being Rosslyn Analytics Limited (company number 05450134) and Rosslyn Data Management Limited (company number 03842863), are exempt from the requirements of Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A.

25. Discontinued operations and business disposals

In order to deliver the Group's emphasis on the Rosslyn product, a decision was taken to dispose of the Langdon Systems and Integritie parts of the Group. The Langdon Systems sale was completed on 30 September 2022 and the Integritie sale completed on 1 November 2022, and are therefore the trading and profit on disposal are presented on one line as discontinued operations for the prior period in the consolidated statement of comprehensive income. As part of the sale of Integritie there is a conditional deferred payment of up to £1.4m based on achieving certain revenue and growth targets. Based on current and available information this conditional deferred payment has been fair valued at £Nil. The above transactions have been treated as disposals from the dates the sales were completed.

Financial information relating to the discontinued operation for the Group is set out below.

Statement of comprehensive income

	30 April 2024 £'000	**Year ended 30 April 2024 £'000**	30 April 2023 £'000	Year ended 30 April 2023 £'000
Discontinued operations				
Revenue		–		1,510
Cost of sales		–		(539)
Gross profit		–	971	
Admin expenses		–		(830)
Analysed as				
Administrative expenses	–		(830)	
Depreciation and amortisation	–		–	
Share-based payment	–		–	
	–		(830)	
Operating profit		–		141
Profit on disposal of operations		–		2,309
Finance costs		–		(9)
Profit before income tax		–		2,441
Income tax		–		27

Profit on disposal of operations

	30 April 2024 £'000	**Year ended 30 April 2024 £'000**	30 April 2023 £'000	Year ended 30 April 2023 £'000
Cash proceeds		–		1,700
Selling fees paid out of consideration		–		(188)
Net cash consideration		–		1,512
Net assets disposed of				
Intangible fixed assets	–		62	
Tangible assets	–		20	
Debtors	–		342	
Creditors	–		(1,449)	
		–		(1,025)
Post-completion costs		–		(228)
Profit on disposal before tax		–		2,309

The cash flows from the discontinued operations were as follows:

	2024 £'000	2023 £'000
Net cash used in operating activities	–	(716)
Net cash generated from investing activities	–	1,512
Net cash generated from financing activities	–	96

26. Post balance sheet events

On the 28th October 2024 the Group successfully completed an equity fundraising round, raising £1.89m via a placing of shares and £1.2m from an issue of convertible loan notes, resulting in the Company issuing new shares and the conversion of existing convertible loan notes.. Further, there is an intention from James Appleby, Non-Executive Chairman, to subscribe for £0.26m post release of the annual report.

Company statement of financial position

as at 30 April 2024
Registered number: 08882249

	Note	30 April 2024 £'000	30 April 2023 £'000
Fixed assets			
Investments	D	**–**	–
		–	–
Current assets			
Debtors: amounts due within one year	E	**4,580**	2,185
Corporation tax receivable		**–**	240
Cash at bank and in hand	F	**228**	218
		4,808	2,643
Total assets		**4,808**	2,643
Current liabilities			
Creditors: amounts falling due within one year	G	**(1,740)**	(1,370)
Total current liabilities		**(1,740)**	(1,370)
Net current assets		**3,068**	1,273
Non-current liabilities			
Creditors: amounts falling due after more than one year		**(327)**	–
Total non-current liabilities		**(327)**	–
Net assets		**2,741**	1,273
Capital and reserves			
Called up share capital	I	**4,415**	1,699
Share premium account	I	**18,923**	18,923
Convertible debt option reserve	I	**189**	–
Share-based payment reserve	I	**34**	320
Profit and loss account	I	**(20,820)**	(19,669)
Total shareholders' funds		**2,741**	1,273

The loss of the Company for the year ended 30 April 2024 was £1,251,000 (2023: £505,000). The notes on pages 68 to 73 form part of these financial statements.

The financial statements were approved by the Board of Directors on 28 October 2024 and were signed on its behalf by:

Paul Watts
Chief Executive Officer

Company statement of changes in equity
for the year ended 30 April 2024

	Note	Called up share capital £'000	Convertible debt option reserve £'000	Share-based payment reserve £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 May 2022		1,699	–	255	18,923	(19,188)	1,689
Loss and total comprehensive expense		–	–	–	–	(505)	(505)
Lapsed options	23	–	–	(24)	–	24	–
Share-based payment transaction	23	–	–	89	–	–	89
Balance at 30 April 2023		1,699	–	320	18,923	(19,669)	1,273
Loss and total comprehensive expense		–	–	–	–	(1,251)	(1,251)
Issue of convertible loan		–	239	–	–	–	239
Shares issued during the year		2,716	–	–	–	–	2,716
Issue costs		–	(50)	–	–	(282)	(332)
Lapsed options	23	–	–	(382)	–	382	–
Share option reserve transfer	23	–	–	96	–	–	96
Balance at 30 April 2024		**4,415**	**189**	**34**	**18,923**	**(20,820)**	**2,741**

The notes on pages 68 to 73 form part of these financial statements.

Notes to the Company's financial statements

for the year ended 30 April 2024

A. General information

Rosslyn Data Technologies plc is a company incorporated and domiciled in England and Wales. The address of the registered office is 6th Floor, 60 Gracechurch Street, London, EC3V 0HR. The Company's principal activity is the provision of management services.

The principal accounting policies adopted in the preparation of the Company's financial information are set out below. The policies have been consistently applied to all the periods presented.

B. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102, the financial reporting standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes; and
- financial instruments disclosures, including:
  - categories of financial instruments;
  - items of income, expenses, gains or losses relating to financial instruments; and
  - exposure to and management of financial risks.

Going concern

The Company financial statements have been prepared on a going concern basis in accordance with the basis of preparing the Group financial statements on a going concern basis. The Company financial statements have been prepared on a going concern basis in accordance with the basis of preparing the Group financial statements on a going concern basis. However, if the Group is unable to deliver upon its proposed revenue projections, or alternatively proposed cost reductions, there is limited headroom in the current forecasts and as such there is considered a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

Significant judgements and estimates

The preparation of the financial statements requires management to exercise judgement in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

On an ongoing basis the following areas involve a higher degree of judgement or complexity:

Estimates

Recoverability of intercompany balances – These are considered on an annual basis through an impairment review, taking into account the future discounted cash-flows of the businesses involved. The Company has not impaired any intercompany assets in this financial year (2023: £Nil). The Directors performed sensitivity analysis on the net present value of future income streams of the Group to consider whether Group balances owed to the company should be provided for. As noted in the group accounting policies a 10% change in new business revenues results in a £2,597,000 reduction in the net present value of the future income streams of the Group. New business revenues would need to decrease by 1% before an impairment charge is required for the carrying value of the inter-company receivables.

The ultimate result of these assumptions cannot be determined at this time, and the financial statements do not account for any impairment charge to the inter-company receivables provision that might be necessary should the subsidiaries cash flows deviate from the forecast.

Judgements

Convertible loan notes – Management have exercised judgement in reviewing the terms of the convertible loan notes, particularly around whether a fixed number of shares are to be issued on conversion to ensure that they are correctly accounted for as debt and equity in line with the nature of the agreement.

Taxation

Taxation comprises current and deferred tax. Current tax is the expected tax payable (or recoverable) for the current period, using tax rates enacted or substantively enacted at the statement of financial position date.

Except as otherwise required by accounting standards, full provision without discounting is made for all deferred taxation timing differences which have arisen but not reversed at the statement of financial position date. Timing differences arise when items of income and expenditure are included in tax computations in periods which are different from their inclusion in the financial statements. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be used.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realised or the liability is settled, based on the rates that have been enacted or substantively enacted at the statement of financial position date.

Cash at bank and in hand

Cash at bank and in hand comprises cash on hand and demand deposits.

B. Accounting policies continued

Financial assets

Classification

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are held in order to collect the contractual cash flows and are initially measured at the transaction price as defined in FRS 102, as the contracts of the Company do not contain significant financing components. Impairment losses are recognised based on lifetime expected credit losses in profit or loss.

Investments

Investments are stated at cost less provision for diminution in value. The carrying amounts of the Company's investments are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If such an indication exists, the investment's recoverable amount is estimated. An impairment loss is recognised in the statement of comprehensive income whenever the carrying amount of an investment exceeds its recoverable amount.

Share capital and share premium

Ordinary shares are classified as equity.

Share premium is the amount subscribed for share capital in excess of nominal value less any costs directly attributable to the issue of new shares.

Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from the proceeds.

Debtors

Short-term debtors are measured at transaction price, less any impairment.

Creditors

Short-term trade 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.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Convertible debt

The proceeds received on issue of the Group's convertible debt are allocated into their liability and equity components and presented separately in the balance sheet. Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that did not include an option to convert. This is then measured at amortised cost.

The difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited direct to equity. The fair value of the equity element is calculated at each reporting date using an appropriate fair value valuation model, with changes in the fair value being recognised immediately in the consolidated statement of comprehensive income.

On conversion, the debt and equity elements are credited to share capital and share premium as appropriate, with no gain or loss recognised.

Share-based payments

The Company operates an equity-settled, share-based compensation plan, the Enterprise Management Incentive (EMI) Scheme. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted calculated using an appropriate option pricing model. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. Options issued under the scheme to Non-Executive Directors and other individuals who are not employees of the UK Company follow the EMI rules but are considered non-qualifying EMI options for tax purposes.

C. Result of parent company

As permitted by Section 408 of the Companies Act 2006, the income statement of the Company is not presented as part of these financial statements. The Company's result for the financial period is a loss of £1,251,000 (2023: loss of £505,000).

Notes to the Company's financial statements continued for the year ended 30 April 2024

D. Investments

Cost	
At 1 May 2023	9,762
At 30 April 2024	**9,762**
Impairment	
At 1 May 2023	9,762
At 30 April 2024	**9,762**
Net book value	
At 30 April 2024	**–**
At 30 April 2023	–

Principal subsidiary undertakings of the Company

The Company owns directly the whole of the issued and fully paid ordinary share capital of its subsidiary undertakings. The principal undertakings of the Company at 30 April 2024 are presented below:

Subsidiary	Nature of business	Registered address	Country of incorporation	Cost	Proportion of ordinary shares held by Company
Rosslyn Analytics Limited	Provision of data analytics using a proprietary technology	6th Floor, 60 Gracechurch Street, London, United Kingdom, EC3V 0HR	UK	£8,725,000	100%
Rosslyn Data Management Limited	Provision of data analytics using a proprietary technology	6th Floor, 60 Gracechurch Street, London, United Kingdom, EC3V 0HR	UK	£1,037,000	100%
Rosslyn Analytics, Inc.	Provision of data analytics using a proprietary technology	3171 Route 9, Suite 282 Old Bridge, NJ, 08857, United States of America	US	–	–

Rosslyn Analytics, Inc. is a wholly owned subsidiary of Rosslyn Analytics Limited.

E. Trade and other receivables

	2024 £'000	2023 £'000
Amounts owed by Group undertakings	**4,521**	2,015
Social security and other taxes	**22**	28
Prepayments	**37**	142
	4,580	2,185

Amounts owed by Group undertakings are repayable upon demand. They are not expected to be recovered in the short term.

All financial assets are measured at amortised cost.

F. Cash at bank and in hand

	2024 £'000	2023 £'000
Cash at bank	**228**	218

G. Trade and other payables

	2024 £'000	2023 £'000
Trade creditors	**43**	86
Amounts owed to Group undertakings	**1,512**	1,153
Social security and other taxes	**39**	15
Other payables	**3**	3
Accruals	**143**	113
	1,740	1,370

Amounts owed by Group undertakings are repayable on demand.

All financial liabilities are measured at amortised cost.

H. Borrowings and Lease Liabilities

	2024 £'000	2023 £'000
Non-current		
Convertible loans	**327**	–
	327	–

Terms and repayment schedule
The terms and conditions of outstanding loans are as follows:

	Currency	Nominal interest rate	Year of maturity	2024 Face value £'000	2024 Carrying value £'000	2023 Face value £'000	2023 Carrying value £'000
Unsecured loans	GBP	17.47%	2024	**–**	**–**	96	96
Convertible loans	GBP	10.00%	2028	**600**	**327**	–	–
Total interest-bearing liabilities				**600**	**327**	96	96

In September 2023, the Group issued convertible loan notes of £600,000. The total balance may convert into a fixed amount of equity at an eligible conversion date, or will be paid as cash.

I. Called up share capital

Allotted, issued and fully paid

Number	Class	Nominal value	2024 £'000	2023 £'000
2024: 17,659,275 (2023: 339,862,521)	Ordinary shares	£0.250 (2023: £0.005)	**4,415**	1,699

On 19 September 2023, there were a further 543,101,200 shares of £0.005 each allotted. On the same day, the total share capital was consolidated at a rate of 50:1 reducing the share capital to 17,659,275 shares of £0.25 each.

J. Reserves

The profit and loss account includes all current and prior period retained profits and losses.

The 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.

The share-based payment reserve comprises the fair value of options granted under the Group's Enterprise Management Incentive Scheme, less reductions for those options that lapsed during the year.

The convertible debt option reserve represents the equity component of convertible debt instrument less issue costs.

K. Related party disclosures

The Company is the parent of a group, the consolidated financial statements of which precede the Company's financial statements. Accordingly, the Company has taken advantage of the exemptions in FRS 102 from disclosing transactions with 100% members of the Rosslyn Data Technologies Group.

L. Ultimate controlling party

There was no ultimate controlling party as at 30 April 2024 or 30 April 2023.

Notes to the Company's financial statements continued for the year ended 30 April 2024

M. Share-based payment transactions

The Directors approved the allocation of equity-settled share-based payments to various staff members and key management personnel to help align employee interests with shareholder returns. Details of the share-based payment arrangements are described below:

A – Enterprise Management Investment Scheme

Date of scheme	24 April 2014
Contractual life	10 years
Number of employees in scheme	17
Vesting conditions	Vest on grant/vest over 1–3 years

	2024	**Weighted average exercise price**	2023	Weighted average exercise price
Outstanding at start of year	**25,675,638**	**3.20p**	14,564,527	5.17p
Granted	**–**	**–**	12,250,000	1.39p
Exercised	**–**	**–**	–	–
Lapsed/cancelled options	**(25,675,638)**	**3.20p**	(1,138,889)	-
Outstanding at end of year	**–**	**–**	25,675,638	4.03p

The share-based payments become exercisable on the vesting date, and lapse on the 10th anniversary of the grant date.

During the year, an expense of £41,749 (2023: £81,752) was recognised in relation to the scheme, based on the Black-Scholes option pricing model. The scheme was withdrawn during the year and replaced with a new scheme which is detailed within section C of this note.

B – Unapproved share option scheme

Date of scheme	14 December 2022
Contractual life	10 years
Number of employees in scheme	1
Vesting conditions	Vest over 1 year

	2024	**Weighted average exercise price**	2023	Weighted average exercise price
Outstanding at start of year	**5,000,000**	**0.99p**	–	–
Granted	**–**	**–**	5,000,000	0.99p
Exercised	**–**	**–**	–	–
Lapsed	**(5,000,000)**	**0.99p**	–	–

The share-based payments become exercisable on the vesting date, and lapse on the 10th anniversary of the grant date. The scheme was withdrawn during the year and replaced with a new scheme which is detailed within section C of this note.

During the year, an expense of £20,000 (2023: £7,500) was recognised in relation to the scheme, based on the Black-Scholes option pricing model.

M. Share-based payment transactions continued

C– Enterprise Management Incentives Share Option Plan

Date of scheme	27 September 2023
Contractual life	10 years
Number of employees in scheme	15
Vesting conditions	Vest over 5 years or satisfaction of performance condition

	2024	**Weighted average exercise price**	2023	Weighted average exercise price
Outstanding at start of year	**–**	**–**	–	–
Granted	**1,836,564**	**25.00p**	–	–
Exercised	**–**	**–**	–	–
Lapsed	**–**	**–**	–	–
Outstanding at end of year	**1,836,564**	**25.00p**	–	–

The share-based payments become exercisable on the vesting date, and lapse on the 10th anniversary of the grant date. The scheme was withdrawn during the year and replaced with a new scheme which is detailed within section C of this note.

During the year, an expense of £34,341 (2023: £Nil) was recognised in relation to the scheme, based on the Black-Scholes option pricing model.

£34,341 (2023: £Nil) was charged to the Company; the balance of £Nil (2023: £Nil) was charged to the subsidiaries where the employees are employed.

Warrants

The Company's broker, Cavendish Securities plc (formerly Cenkos Securities plc), was granted warrants over 11,287,804 ordinary shares in the Company as part-payment for its services during a fundraising and acquisition in April 2017. The warrants were exercisable at a price of 4.5p per share between 15 May 2018 and 15 May 2022 provided that the closing mid-market price for the ordinary shares was at least 8p per share at the time of exercise. Cavendish Securities did not exercise the warrants, therefore, the warrants lapsed during the prior year.

N. Post balance sheet events

On the 28th October 2024 the Group successfully completed an equity fundraising round, raising £1.89m via a placing of shares and £1.2m from an issue of convertible loan notes, resulting in the Company issuing new shares and the conversion of existing convertible loan notes.. Further, there is an intention from James Appleby, Non-Executive Chairman, to subscribe for £0.26m post release of the annual report.

Company information

Registered in
England and Wales

Company number
08882249

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Company secretary
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Registrar
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Auditor
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Nominated adviser and broker
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