

**Company Registration No. 12177713**

**Verisk Limited**

**Annual Report and Financial Statements**

**For the year ended:**

**31 December 2022**



**Verisk Limited****Report and financial statements 2022**

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## **Verisk Limited**

### **Report and financial statements 2022**

#### **Company information for the year ending 31 December 2022**

##### **Directors**

B R Aird (resigned 9 February 2023)  
T M Payne (resigned 7 November 2022)  
J Pendle (resigned 5 September 2022)  
C C Sawford  
M Simic  
T C Wong

##### **Registered office**

22 Bishopsgate  
London  
England  
EC2N 4BQ

##### **Bankers**

HSBC Bank plc  
2 Buchanan Street  
Glasgow  
G1 3LB

##### **Auditors**

Grant Thornton UK LLP  
110 Queen Street  
Glasgow  
G1 3BX

##### **Registered Number**

12177713 (England & Wales)

# Verisk Limited

## Report and financial statements 2022

### Strategic report

#### Principal activities and business review

Verisk Limited (“the Company”) was incorporated on 28 August 2019 and was non-trading until October 2020 when the Company was transferred the share capital of Verisk Claims UK Limited from another group company. On 1 January 2021, Verisk Limited acquired the trade and assets of three Verisk group entities and began trading operations. These entities were Emergent Network Intelligence Limited and Rebmark Legal Solutions Limited. In addition, the trading operations known as CoA of the Verisk Analytics Limited business were sold to Verisk Limited also on 1 January 2021.

The directors are satisfied with the performance of Verisk Limited for the period given the current economic climate. On 1 April 2022, employees of two of Verisk’s other UK group companies were transferred into the Company, the associated trade of the two companies did not transfer and the Company charges the employee related costs back under a transfer pricing agreement. This is the second year of trading with the Company only beginning its trading operations on 1 January 2021. The Company has generated £3.1M profit in the year (2021: £230k) and continues to invest in its products to deliver continued revenue growth into 2023. Excluding amounts owed to group undertakings, net of amounts owed by group undertakings & related parties, the Company’s balance sheet is in a net current asset position and management believes that it is in a healthy position.

#### Principal Risk and uncertainties

##### Credit Risk

The Company considers the credit risk associated with its trade accounts receivable to be commercially reasonable and believes that such concentration does not result in the significant risk of near term severe adverse impacts. The Company performs background checks on new customers and the receivable balances are monitored on an ongoing basis.

##### Liquidity Risk

The Company monitors cash flow and working capital requirements constantly therefore mitigating liquidity risks as much as possible. There is currently no requirement for additional funding facilities and the Company is cash positive at the year end. In addition, the ultimate parent Company, Verisk Analytics, Inc., will fund any short fall in cash needs of the Company.

##### Foreign Currency Risk

The Company’s exposure to risks such as credit risk, interest rate risk and cash flow risk is within reasonable limits and these exposures are not hedged. There are no further material risks in which the Company believe external hedging is required or mitigating action is needed at present.

##### Other risks

The Company continues to monitor risk associated with climate change, the on-going war in Ukraine and resulting energy cost crisis. Management do not believe the Company has any greater exposure to these risks compared to the wider economy.

##### Performance Monitoring

The Company believes its ability to generate recurring revenues is a key indicator of a successful execution of its business strategy. The Company uses year over year revenue growth plus EBITDA margin as metrics to measure its performance.

## **Verisk Limited**

### **Report and financial statements 2022**

#### **Strategic report (continued)**

##### **Future developments**

The Company has evaluated subsequent events through to the date these financial statements were approved and has not identified any significant subsequent events that require consideration as adjustment or a disclosure as accompanying the financial statements.

The Company will continue to invest in its research products and analytical tools whilst also investing in our sales and marketing resources in order to improve our ability to service what is a truly global industry and new ways of reaching our existing and potential client base.

Approved by the Board and signed on its behalf by:

*Thomas Wong*

T Wong- Director

Date: 29 September 2023

## Verisk Limited

### Directors' report for the year ending 31 December 2022

The Directors present their annual report and the financial statements for the year ended 31 December 2022 for Verisk Limited.

#### Principal activities

The principal activities of the Company during the year were that of providing specialist insurance claims data, supply of specialist software for the injury claims sector and providing claims management solutions.

#### Dividends

No dividends were paid during the period (2021: £nil).

#### Directors

The Directors who held office throughout the year and to the date of this report are set out on page 1.

#### Third party indemnity provision for directors

There is a third-party indemnity provision in place for the benefit of all directors of the Company.

#### Employment of disabled persons

Our policy is to give full and fair consideration to applications for employment made by disabled persons having regard to their particular attitudes and abilities. This policy has the commitment that appropriate training will be arranged for disabled persons, including retraining for alternative work of employees who become disabled, to promote their career development within the Group.

#### Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make them aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

*Thomas Wong*

On behalf of the board

T Wong

Director

Date: 29 September 2023

## **Verisk Limited**

### **Directors' responsibilities statement Year ending 31 December 2022**

The directors are responsible for preparing the Strategic Report and 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Verisk Limited

### Independent auditor's report to the members of Verisk Limited

#### Opinion

We have audited the financial statements of Verisk Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as the high inflationary environment, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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

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

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



## **Verisk Limited**

### **Independent auditor's report to the members of Verisk Limited (continued)**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic or directors' report.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors for the financial statements**

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

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

## Verisk Limited

### Independent auditor's report to the members of Verisk Limited (continued)

#### 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and industry in which it operates through our general commercial and sector experience and discussions with management. We determined the following laws and regulations were most significant: FRS 102 'The Financial Reporting Standard applicable in the UK and Republic Ireland' and the Companies Act 2006.
- We have enquired with management as to any instances of non-compliance with any of the applicable laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We have assessed the susceptibility of the financial statements to material misstatement, including how fraud may occur:
  - Identifying and testing journal entries, with a focus on large or unusual journals, considered by the engagement team to carry a higher risk of fraud;
  - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the following:
  - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
  - Knowledge and experience of the industry in which the client operates; and
  - Understanding of the requirements of FRS 102 in conformity with the requirements of the Companies Act 2006 and the application of the legal and regulatory requirements to the Company.
- In assessing the potential risk of material misstatement, we have obtained an understanding of:
  - The Company's operations, including the nature of its revenue sources, to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risk of material misstatement; and
  - The Company's control environment, including management's knowledge of relevant laws and regulations and how the Company is complying with those laws and regulations, the adequacy of procedures surrounding authorisation of transactions, and procedures to ensure that any possible breaches of laws and regulations are appropriately investigated and reported.

## Verisk Limited

### Independent auditor's report to the members of Verisk Limited (continued)

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

#### Use of our report

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



James Chadwick  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Glasgow

29/9/2023

**Verisk Limited****Statement of comprehensive income  
Period ended 31 December 2022**

	Notes	2022 £	2021 £
<b>Turnover</b>	4	15,306,384	10,684,658
Cost of sales		<u>(9,039,984)</u>	<u>(6,262,938)</u>
<b>Gross profit</b>		6,266,400	4,421,720
Administrative expenses		(2,913,576)	(4,027,371)
Exceptional items	15	<u>(221,741)</u>	<u>(200,000)</u>
<b>Profit before taxation</b>	6	<u>3,131,083</u>	<u>194,349</u>
Taxation	7	<u>(17,305)</u>	<u>35,325</u>
<b>Profit and total comprehensive income for the financial year</b>		<u><u>3,113,778</u></u>	<u><u>229,674</u></u>

All of the activities of the Company are classed as continuing.

The Company has no recognised gains or losses other than the results for the period as set out above.

The accompanying notes and accounting policies (numbers 1 to 19 on pages 13 to 23) are an integral part of these financial statements.

## Verisk Limited

### Statement of financial position As at 31 December 2022

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Investments	8	15,531,398	15,728,139
Tangible assets	9	146,458	162,158
Intangible assets		896,286	231,386
		<u>16,574,142</u>	<u>16,121,683</u>
<b>Current assets</b>			
Debtors	11	41,465,885	13,787,359
Cash at bank and in hand		1,543,236	-
		<u>43,009,121</u>	<u>13,787,359</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(64,137,973)</u>	<u>(37,577,530)</u>
<b>Net current liabilities</b>		<u>(21,128,852)</u>	<u>(23,790,171)</u>
<b>Net (liabilities)/assets</b>		<u>(4,554,710)</u>	<u>(7,668,488)</u>
<b>Capital and reserves</b>			
Called up share capital	17	7,321,577	7,321,577
Other Reserve		(15,219,739)	(15,219,739)
Profit and loss account		3,343,452	229,674
		<u>(4,554,710)</u>	<u>(7,668,488)</u>
<b>Shareholders' (deficit)/funds</b>		<u>(4,554,710)</u>	<u>(7,668,488)</u>

The accompanying notes and accounting policies (numbers 1 to 19 on pages 13 to 23) are an integral part of these financial statements.

The financial statements were signed by the board of directors on 29 September 2023 and were signed on its behalf by:

Signed on behalf of the Board of Directors

*Thomas Wong*

.....  
T Wong

Director

Company Registration Number 12177713

**Verisk Limited****Statement of changes in equity  
As at 31 December 2022**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Other reserve</b>	<b>Total Equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2021</b>	1	-	-	1
Total comprehensive profit for the year	-	229,674	-	229,674
Excess on transfer of net assets	-	-	(15,219,739)	(15,219,739)
Issuance of share capital	7,321,576	-	-	7,321,576
<b>At 31 December 2021</b>	<u>7,321,577</u>	<u>229,674</u>	<u>(15,219,739)</u>	<u>(7,668,488)</u>
Total comprehensive profit for the year	-	3,113,778	-	3,113,778
<b>At 31 December 2022</b>	<u>7,321,577</u>	<u>3,343,452</u>	<u>(15,219,739)</u>	<u>(4,554,710)</u>

The accompanying notes and accounting policies (numbers 1 to 19 on pages 13 to 23) are an integral part of these financial statements.

## Verisk Limited

### Notes to the financial statements For the year ended 31 December 2022

#### 1. Company Information

Verisk Limited 'the Company' is a private Company limited by shares incorporated in England and Wales. The registered office is 22 Bishopsgate, London, England, EC2N 4BQ.

#### 2. Accounting policies

##### Basis of preparing the financial statements

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK ("FRS 102"). The presentation currency of these financial statements is Sterling. All amounts in the financial statements have been rounded to the nearest Sterling.

The Company's ultimate parent undertaking, Verisk Analytics Inc, includes the Company in its consolidated financial statements. The consolidated financial statements of Verisk Analytics Inc are prepared in accordance with US GAAP. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Share based payments;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Verisk Analytics Inc include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

##### Related party exemption

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

## Verisk Limited

### Notes to the financial statements (continued) For the year ended 31 December 2022

#### 2. Accounting policies (continued)

##### **Preparation of consolidated financial statements**

The financial statements contain information about Verisk Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Verisk Analytics Inc.

##### **Critical accounting judgements and key sources of estimation uncertainty**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions, by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed in note 3.

##### **Going Concern**

The directors have considered the projected operational performance for the Company for a period of at least the next 12 months. Based on this the directors have a reasonable expectation that the Company will have adequate resources available to them and financial support from the ultimate parent Company to continue in operational existence for the foreseeable future. Management have also assessed re-forecasting and budgeting and as a result, they continue to adopt the going concern basis of accounting in preparing the financial statements. In addition, the ultimate parent Company, Verisk Analytics, Inc., will fund any short fall in cash needs of the Company.

##### **Taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of the deferred tax liabilities or other future taxable profits.

##### **Foreign currencies**

Transactions in currencies other than the functional currency (Sterling) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All transaction differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related transaction gain or loss is also recognised in other comprehensive income.



## Verisk Limited

### Notes to the financial statements (continued) For the year ended 31 December 2022

#### 2. Accounting policies (continued)

##### Leases

Leases are operating leases and the annual rental are charged to the profit and loss account on a straight-line basis over the lease term.

##### Retirement benefits

The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to profit or loss in the period to which they relate.

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

##### Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement, if material, is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### Turnover

Turnover represents net invoiced sales of goods and services supplied, excluding value added tax, on the basis set out below.

The Company recognises software licence revenue on delivery provided that all significant obligations have been met. Revenue is recognised on a pro-rata basis over the duration of the licence where objective evidence of fair value for all undelivered elements cannot be established.

Revenues from multiple element arrangements are allocated to each element based on the relative fair values of the elements. The determination of fair value is based on objective evidence that is specific to our business.

##### Other Income

Rental income on assets leased under operating leases is recognised on a straight-line basis over the lease term and is presented within other operating income.

## Verisk Limited

### Notes to the financial statements (continued) For the year ended 31 December 2022

#### 2. Accounting policies (continued)

##### Intangible fixed assets

Where a specific project meets the recognition criteria of FRS 102 Section 18 'Intangible Assets Other than Goodwill' the related product development costs are capitalised and amortised over the expected life of the specific product developed, usually between 3 years. Assets begin to be amortised when they are put into service.

Development costs are capitalised only to the extent that they lead to the creation of an enduring asset delivering measurable economic benefits at least as great as the amount capitalised. If there is insufficient evidence on which to base reasonable estimates of the economic benefits that will be generated in the period until the underlying product are next updated, the costs of developing the product are charged to the Statement of comprehensive income as incurred.

##### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Improvements to property	- over the lease term
Fixtures and fittings	- Straight line over 20 years
Computer equipment	- 25% on cost

##### Fixed asset Investments

Investments in subsidiaries and associates are measured at cost less impairment.

#### 3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

At the end of each reporting period, the Company reviews the carrying amounts of its investments to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss (if any). Subsidiaries are measured for impairment through analysis of cash flows and projections of EBITDA for profitability in the short-to-medium term. Discount rates are as at the balance sheet date and longer-term rates are considered with the wider economy. Where it is not possible to estimate the recoverable amount of an individual investment, the Company estimates the recoverable amount of the group of assets to which it belongs.

## Verisk Limited

### Notes to the financial statements (continued) For the year ended 31 December 2022

#### 3. Critical accounting judgements and key sources of estimation uncertainty (continued)

##### *Critical judgements in applying the Company's accounting policies*

Further, the directors have assessed the group reorganization and business combination under common control that occurred on 1 January 2021 in regards to the sale of the company trade and assets. The directors deem it would not be appropriate to account for the difference between net assets acquired and consideration payable as goodwill. As a result, the difference of £15,219,739 to be treated as an equity transaction under the guidance included in Tech 02/17.

##### *Key source of estimation uncertainty*

The directors note no key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### Investment impairment

Key inputs to the impairment assessment include discount rate, long term growth forecast and underlying cashflows. Management are satisfied that the inputs utilised in the review are appropriate and the carrying value of the investment is not impaired.

#### 4. Revenue

The revenue and loss before tax are attributable to the one principal activity of the Company. All revenues are generated in the United Kingdom.

	2022	2021
	£	£
Revenue	15,306,384	10,684,658

## Verisk Limited

### Notes to the financial statements (continued) For the year ended 31 December 2022

#### 5. Employee and directors

The average number of employees in the year was 109 (2021: 76).

	2022	2021
	£	£
Number of employees	106	72
Directors	3	2
	<u>109</u>	<u>74</u>

	2022	2021
	£	£
Wages and salaries	7,303,527	5,056,811
Social security costs	940,836	558,432
Other pension costs	497,448	323,056
	<u>8,741,810</u>	<u>5,938,299</u>

	2022	2021
	£	£
Directors' remuneration	901,233	439,377
Directors' pension contributions to money purchase schemes	33,693	25,049
	<u>934,926</u>	<u>464,426</u>

The amounts set out above include remuneration in respect of the highest paid director as follows:

	2022	2021
	£	£
Directors' remuneration	437,679	278,416
Directors' pension contributions to money purchase schemes	9,800	13,296
	<u>447,479</u>	<u>291,712</u>

## Verisk Limited

### Notes to the financial statements (continued) For the year ended 31 December 2022

#### 6. Operating loss

The operating profit is stated after charging:

	2022	2021
	£	£
<b>Operating profit is after charging/(crediting)</b>		
Depreciation	30,494	27,918
Auditors' remuneration	17,700	14,000
Foreign currency (gain) / loss	(141,533)	3,308
Operating leases – land & buildings	207,236	140,200

#### 7. Tax on profit on ordinary activities

	2022	2021
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the year	-	-
Adjustment in respect of previous years	-	-
<b>Total current tax</b>	<u>-</u>	<u>-</u>
<i>Deferred taxation</i>		
Origination and reversal of timing differences	(7,503)	(35,325)
Adjustment in respect of previous periods	24,808	-
<b>Total deferred taxation</b>	<u>17,305</u>	<u>(35,325)</u>
<b>Total taxation on profit on ordinary activities</b>	<u>17,305</u>	<u>(35,325)</u>
	2022	2021
	£	£
<b>Profit/(Loss) on ordinary activities before taxation</b>	<u>3,131,082</u>	<u>194,349</u>
<b>Profit multiplied by the standard rate of CT in the UK of 19% (2021 – 19%)</b>	594,906	36,926
<i>Factors affecting the charge for the year:</i>		
Expenses not deductible for tax purposes	5,330	(12,828)
Group relief claimed at no cost	(558,263)	(50,945)
Effect of deferred tax at 25% versus current tax 19%	(1,801)	(8,478)
Permanent deduction for LTIP	(89,806)	-
Exceptional items- earn out interest	42,131	-
Adjustment in respect to previous period	24,808	-
<b>Total tax charge / (credit)</b>	<u>17,305</u>	<u>(35,325)</u>

## Verisk Limited

### Notes to the financial statements (continued) For the year ended 31 December 2022

#### 7. Tax on profit on ordinary activities (continued)

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 19.00% (2021: 19.00%). Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2021 during the year and these changes are reflected within the tax figures. This included an increase to the main rate of corporation tax to 25% from 1 April 2023 and this is the rate which has been used in calculating deferred tax at the year-end. Finance Act 2022 which received Royal Assent on 24 February 2022 will not have any impact on the corporation tax figures.

#### 8. Fixed Asset Investments

	£
<b>Cost and Net book value</b>	
At 1 January 2022	15,728,139
Impairment	<u>(196,741)</u>
At 31 December 2022	<u><u>15,531,398</u></u>

The following information relates to the directly and indirectly held subsidiary undertakings & associates:

Name of Company	Country of incorporation	Proportion of issued share capital held	Share class	Principal activity
Emergent Network Intelligence Ltd	United Kingdom	100%	Ordinary	Non-Trading
Rebmark Legal Solutions Ltd	United Kingdom	100%	Ordinary	Non-Trading
Verisk Claims UK Ltd	United Kingdom	100%	Ordinary	Trading

The Company's investment in Rebmark Legal Solutions Ltd was written down to the carrying value of the net assets in the company during the year.

In the prior year the Company acquired 100 per cent of the issued share capital of Emergent Network Intelligence Ltd and Rebmark Legal Solutions Ltd on the 1<sup>st</sup> January 2021. Emergent Network Intelligence Ltd principal activity was one of a specialist provider of insurance claims data principally relating to insurance claims within the motor vehicle industry in the UK. Rebmark Legal Solutions Ltd' primary activity was that of development and supply of specialist software for the injury claims sector. The Company's solutions aid claimant and defendant lawyers, barristers, and claims handlers with the preparation of schedules of loss, which is useful in complex, high-value injury claims where calculations can be time-consuming and there is greater potential for error. Both Emergent Network Intelligence Ltd and Rebmark Legal Solutions Ltd are non-trading entities.

The Company acquired 100 per cent of the issued share capital of Verisk Claims UK Ltd in October 2020. The primary activity of Verisk Claims UK Ltd was that of a provider of claims management solutions and developer of the subrogation portal, verify™, in the UK.

## Verisk Limited

### Notes to the financial statements (continued) For the year ended 31 December 2022

#### 9. Tangible fixed assets

	Leasehold improvements £	Fixtures & fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 January 2022	27,870	2,075	160,131	190,077
Additions	13,158	1,636	-	14,794
At 31 December 2022	<u>41,028</u>	<u>3,711</u>	<u>160,131</u>	<u>204,871</u>
<b>Accumulated depreciation</b>				
At 1 January 2022	4,768	1,314	21,836	27,918
Charge for the year	7,714	944	21,836	30,494
At 31 December 2022	<u>12,482</u>	<u>2,258</u>	<u>43,672</u>	<u>58,412</u>
<b>Net book value</b>				
At 31 December 2022	<u>28,546</u>	<u>1,453</u>	<u>116,459</u>	<u>146,458</u>
At 31 December 2021	<u>23,102</u>	<u>761</u>	<u>138,295</u>	<u>162,158</u>

#### 10. Intangible fixed assets

	Development costs £	Total £
<b>Cost</b>		
At 1 January 2022	333,196	333,196
Additions	775,965	775,965
At 31 December 2022	<u>1,109,161</u>	<u>1,109,161</u>
<b>Accumulated depreciation</b>		
At 1 January 2022	101,810	101,810
Charge for the year	111,065	111,065
At 31 December 2022	<u>212,875</u>	<u>212,875</u>
<b>Net book value</b>		
At 31 December 2022	<u>896,286</u>	<u>896,286</u>
At 31 December 2021	<u>231,386</u>	<u>231,386</u>

## Verisk Limited

### Notes to the financial statements (continued) For the year ended 31 December 2022

#### 11. Debtors: Amounts falling due within one year

	2022	2021
	£	£
Trade debtors	2,756,953	3,310,263
Amounts owed by group undertakings & related parties	38,480,144	10,183,465
Other debtors	18,613	18,612
Deferred tax asset (note 16)	18,019	35,324
Prepayments and accrued income	67,424	230,225
Accrued revenue	124,732	9,470
	<u>41,465,885</u>	<u>13,787,359</u>

Amounts due from group undertakings are unsecured, repayable on demand and do not accrue interest.

#### 12. Creditors: amounts falling due within one year

	2022	2021
	£	£
Amounts owed to group undertakings	61,067,069	34,211,311
Other taxes and social security	87,653	162,537
VAT	581,917	558,721
Other creditors	758,007	829,979
Accruals and deferred income	1,643,327	1,814,982
	<u>64,137,973</u>	<u>37,577,530</u>

Amounts due from group undertakings are unsecured, repayable on demand and do not accrue interest.

#### 13. Operating lease agreements

	<b>Land and buildings</b>	
	2022	2021
	£	£
Within one year	171,311	185,503
Between one and five years	375,869	458,369
More than five years	6,408	97,246
	<u>553,588</u>	<u>742,118</u>

#### 14. Pension commitments

Pension contributions were made during the year of £497,448 (2021 £334,616).



## Verisk Limited

### Notes to the financial statements (continued)

#### For the year ended 31 December 2022

#### 15. Exceptional items

One-time exceptional items related to additional acquisition payments based on the business achieving specific predetermined revenue and Earnings before Interest, Taxes, Depreciation and Amortisation ('EBITDA') targets were recognised during the year of £25,000 (2021: £200,000).

During the year the Company recognised an impairment to the carrying value of its investment in Rebmark Legal Solutions Ltd to bring the carrying value down to the net assets of the company, a charge of £196,471 (2021: £nil) was reflected in the Company's income statement.

#### 16. Deferred taxation

	2022 £	2021 £
At beginning of year	35,324	-
Deferred tax credit in P&L for the period	7,503	35,324
Adjustment in respect of prior years	(24,808)	-
	<u>18,019</u>	<u>35,324</u>

#### 17. Called up share capital

	2022 £	2021 £
<b>Called up, allotted and fully paid</b>		
7,321,577 Ordinary share of £1.00	7,321,577	7,321,577
	<u>7,321,577</u>	<u>7,321,577</u>

Share capital was issued in the prior year in exchange for the investments in Rebmark Legal Solutions Ltd and Emergent Network Intelligence Ltd.

#### 18. Post balance sheet event

In August 2023 the Company was notified that Plexus Legal, a firm subleasing office space for which the Company is guarantor under the sublease agreement, is in receivership and as such the Company is liable for the remaining lease payments to the landlord. The payments due by the Company are not expected to exceed £1,062,000. Management is satisfied that such circumstances did not exist at the balance sheet date and no adjustment is required in the current year financial statements.

#### 19. Ultimate parent Company

Verisk New UK Holdco LP, a limited partnership incorporated in the United Kingdom is the immediate parent company. The ultimate holding company is Verisk Analytics Inc., ("Verisk") incorporated in the United States of America, and which trades on the NASDAQ Global Select Market under the ticker symbol "VRSK". The smallest and largest group in which the company accounts are consolidated is that of Verisk Analytics Inc, the consolidated company accounts are available from Verisk Analytics, 545 Washington Boulevard, Jersey City, New Jersey 07310-1686.