

Pimberly Software Development Limited

Company Registration No. 03763400

Annual Report and Financial Statements

For the year ended 30 June 2022



Pimberly Software Development Limited

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Pimberly Software Development Limited

Directors' Report For the year ended 30 June 2022

The Directors present their report together with the financial statements of Pimberly Software Development Limited for the year ended 30 June 2022. Comparative figures in this report relate to the year ended to June 2021.

Directors

The Directors of the company who served during the year and up to the date of approval of the financial statements are as follows:

Nicola Ratcliffe

Martin Balaam

Paul Cook

Company particulars

Pimberly Software Development Limited is incorporated in England and Wales. The address of the Company's registered office and principal place of business is:

St. James's Tower,
Charlotte Street,
Manchester,
M1 4DZ

Principal activities

The company specialises in developing software applications and platforms which are available to clients for the purpose of managing product information and digital asset management.

Review and result of operations

Revenue for the year was £2,815k (2021: £2,140K) with net liabilities of £4,492k (2021: £2,772K) at the year end and cash balances of £112K (2021: £41K). The loss for the year was £1,362k (2021: £969k).

The directors are pleased with the progress of both the product development and new customer acquisitions in the year, and the company continues to focus on product development, attaining new customers and increasing customer success and retention rates.

Qualifying third party indemnity provisions

The company has made qualifying third-party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

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Directors' Report For the year ended 30 June 2022

Events subsequent to the balance sheet date

There have been no significant events occurring after the reporting date which may affect either the company's operations or results of those operations or the company's state of affairs. There will be no material effect from COVID-19 on the results within this report.

Going concern and COVID-19

The Directors consider that it is appropriate to prepare the accounts on a going concern basis. The current and potential financial obligations can be met with the backing of the parent company, Pimberly Limited, the Directors of which are fully supportive of the company's business strategy.

The current cash position of the parent company is considered to be sufficient to cover continued operations for at least 12 months, with the expectation that future funding will be made available to the company when required.

Revenues have continued to rise despite difficult trading conditions due to COVID-19. Retention rates remain high and with an increase in product offerings, the directors remain confident that the company will continue to grow its revenue base for both new and existing customers.

Disclosure of information to auditor

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

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

Directors' responsibilities statement

The directors are responsible for preparing 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 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 of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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

Pimberly Software Development Limited

Directors' Report For the year ended 30 June 2022

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.

Small companies note

This report has been prepared in accordance with the small companies regime of the Companies Act 2006. This report was approved by the Board on 11 November 2022 and signed on its behalf.

Auditor

Mazars LLP have been appointed in the period. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Mazars LLP will therefore continue in office.

DocuSigned by:

Martin Balaam

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Mr M Balaam

Director

Pimberly Software Development Limited

Independent Auditor's report to the members of Pimberly Software Development Limited

Opinion

We have audited the financial statements of Pimberly Software Development Limited (the 'company') for the year ended 30 June 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position 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 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 company's affairs as at 30 June 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 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.

Other information

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

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Independent Auditor's report to the members of Pimberly Software Development Limited

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error:

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

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Independent Auditor's report to the members of Pimberly Software Development Limited

concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Pimberly Software Development Limited

Independent Auditor's report to the members of Pimberly Software Development Limited

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.



Neil Barton (Senior Statutory Auditor) for and on behalf of

Mazars LLP

Chartered Accountants and Statutory Auditor

One St Peters Square

Manchester

M23 DE

Date 14/11/2022

Pimberly Software Development Limited

Statement of Comprehensive Income For the year ended 30 June 2022

	Notes	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Turnover		2,815	2,140
Cost of Sales		(1,368)	(1,119)
Gross Profit		1,447	1,021
Administration expenses		(3,417)	(2,370)
Other Operating Income		-	-
Operating profit (loss)		(1,970)	(1,349)
Interest Payable		-	(2)
Interest Receivable		11	6
Loss before taxation		(1,959)	(1,345)
Taxation	4	593	376
Loss for the year		<u>(1,366)</u>	<u>(969)</u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£NIL).

The accompanying notes on pages 10 to 17 form part of these financial statements.


Pimberly Software Development Limited
Company Number: 03763400

Statement of Financial Position
As at 30 June 2022

	Notes	30 June 2022 £000	30 June 2021 £000
Fixed assets			
Tangible assets	5	83	22
Investment Property		-	-
		<u>83</u>	<u>22</u>
Current assets			
Debtors	6	2,774	1,796
Cash at bank and in hand		112	41
		<u>2,886</u>	<u>1,837</u>
Current liabilities			
Creditors: amounts falling due within one year	7	(7,107)	(4,631)
Net current liabilities		<u>(4,221)</u>	<u>(2,794)</u>
Net liabilities		<u>(4,138)</u>	<u>(2,772)</u>
Capital and reserves			
Called up share capital	9	53	53
Profit and loss account		(4,191)	(2,825)
Shareholders' deficit		<u>(4,138)</u>	<u>(2,772)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 November 2022

DocuSigned by:

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Mr P Cook
 Director

The notes on pages 11 to 18 form part of these financial statements

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2022

1. Company information

Pimberly Software Development Limited (the company) is a private company limited by shares, incorporated in England and Wales. The address of its registered office is disclosed in the directors' report.

Basis of preparation of financial statements

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view. The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);

The financial statements are prepared in sterling, which is the functional currency of the company for the period ended 30 June 2022. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The Directors consider that it is appropriate to prepare the accounts on a going concern basis. The current and potential financial obligations can be met with the backing of the parent company, Pimberly Limited, the Directors of which are fully supportive of the company's business strategy. The current cash position of the parent company is considered to be sufficient to cover continued operations for at least 12 months.

Management have considered the impact of COVID-19 and the high degree of uncertainty which it brings. Despite difficult market conditions the directors are confident that the company will continue to attain new customers and maintain its high customer retention rate due to the attractiveness of its product offering.

Turnover

Turnover is recognised to the extent that it is probable that economic benefits will flow to the company and that the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, Value Added Tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied.

- the amount of turnover can be measured reliably;

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2022

1. Accounting policies (*continued*)

- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and the costs incurred and the costs to complete the contract can be measured reliably.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives on the following basis:

Fixtures and fittings	- 25% - 50% per annum
Long-term leasehold property	- 10% - 33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

Impairment of fixed assets

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Investment property

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

Leases

Operating leases rentals are charged to profit or loss on a straight line basis over the lease term.

Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and

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Notes to the Financial Statements for the year ended 30 June 2022

1. Accounting policies (*continued*)

payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares. All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

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

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date.

Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2022

2. Employees

The average number of persons (including directors) employed by the company during the year was 58 (2021: 48).

3. Directors' Remuneration

	2022	2021
	£000	£000
Remuneration for qualifying services	358	360
Company pension contributions to defined contribution	15	10
	<u>373</u>	<u>370</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2021: 3).

4. Taxation

	2022	2021
	£000	£000
UK corporation tax on losses	-	-
R&D tax credit – current year	(368)	(281)
Adjustment – prior year	4	107
Group relief payable(receivable)	-	-
Deferred taxation movements	(229)	(202)
	<u>(593)</u>	<u>(376)</u>
Total	<u>(593)</u>	<u>(376)</u>

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2022

5. Tangible fixed assets

	Long-term leasehold property £000	Fixtures and fittings £000	Total £000
Costs			
At 1 July 2021	120	140	260
Additions	20	76	96
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 June 2022	140	216	356
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation			
At 1 July 2021	115	123	238
Charge for the year	7	28	35
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 June 2022	122	151	273
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value			
At 30 June 2022	18	65	83
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 June 2021	5	17	22
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2022

6. Debtors

	Notes	2022 £000	2021 £000
Trade debtors		1,076	860
Other debtors		89	93
Prepayments		227	74
Amounts owed by group undertakings		321	41
Corporation tax		389	285
Deferred tax asset	8	672	443
		<u>2,774</u>	<u>1,796</u>

The utilisation of the deferred tax asset depends upon the timing of profitability levels although this is currently expected to be in more than one year

7. Creditors : Amounts falling due within one year

	Notes	2022 £000	2021 £000
Trade creditors		148	96
Other taxation and social security		240	228
Amounts owed to group undertakings		4,629	2,738
Other creditors		25	20
Accruals and deferred income		2,065	1,549
		<u>7,107</u>	<u>4,631</u>

Other taxation and social security includes pension contributions totalling £25k (2021: £12k) which were payable at the year end.

Amounts owed to group undertakings are interest free and repayable on demand.

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2022

8. Deferred tax asset

	2022 £000	2021 £000
Deferred Tax asset	672	443
	<u>672</u>	<u>443</u>

9. Called up share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
53,147 ordinary non-voting shares of £1.00 each	53	53
44 A Ordinary voting shares of £0.10 each	-	-
1,000 Ordinary voting shares of £0.10 each	-	-
	<u>53</u>	<u>53</u>

Each voting share is entitled to one vote in any circumstances.

10. Operating lease commitments

As at 30 June 2022 the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases:

	2022 £000	2021 £000
Within 1 year	173	55
Between 1 – 5 years	605	-
Total	<u>778</u>	<u>55</u>

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2022

11. Parent company

The immediate parent undertaking is Pimberly Limited which includes the company in its consolidated accounts and shares the same registered office as the company. There is no ultimate controlling party over the group.

12. Related Parties

There were no related parties recorded during the period.