

Pimberly Software Development Limited

Company Registration No. 03763400

Annual Report and Financial Statements

For the year ended 30 June 2021



Pimberly Software Development Limited

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Pimberly Software Development Limited

Directors' Report For the year ended 30 June 2021

The Directors present their report together with the financial statements of Pimberly Software Development Limited for the year ended 30 June 2021. Comparative figures in this report relate to the year ended to June 2020.

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 – appointed 19 October 2020

Company particulars

The Company name was changed from Matrix Software Development Limited to Pimberly Software Development Limited on 10 February 2021.

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 £2,140k (2020: £1,625K) with net liabilities of £2,908k (2020: £1,803k) at the year end and cash balances of £41k (2020: £88K).

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.

Pimberly Software Development Limited

Directors' Report For the year ended 30 June 2021

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.

Pimberly Software Development Limited

Directors' Report For the year ended 30 June 2021

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.

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 15 November 2021.

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.

Martin Balaam

Mr M Balaam

Director

15 November 2021

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 30th June 2021 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 30th June 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Pimberly Software Development Limited

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

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.

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

We have nothing to report in this regard.

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 have 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 Strategic Report and 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.

Pimberly Software Development Limited

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

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of 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

Neil Barton (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants and Statutory Auditor

One St. Peter's Square

Manchester

M2 3DE

16 November 2021

Pimberly Software Development Limited

Statement of Comprehensive Income For the year ended 30 June 2021

	Notes	Year ended 30 June 2021 £'000	Year ended 30 June 2020 £'000
Turnover		2,140	1,625
Cost of Sales		(1,119)	(1,065)
Gross Profit		1,021	560
Administration expenses		(2,370)	(1,965)
Other Operating Income		-	46
Operating profit (loss)		(1,349)	(1,359)
Interest Payable		(2)	
Interest Receivable		6	8
Loss before taxation		(1,345)	(1,351)
Taxation	4	376	504
Loss for the year		<u>(969)</u>	<u>(847)</u>

There were no recognised gains and losses for 2021 or 2020 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£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 2021

	Notes	30 June 2021 £000	30 June 2020 £000
Fixed assets			
Tangible assets	5	22	43
Investment Property		-	-
		<u>22</u>	<u>43</u>
Current assets			
Debtors	6	1,796	1,210
Cash at bank and in hand		41	88
		<u>1,837</u>	<u>1,298</u>
Current liabilities			
Creditors: amounts falling due within one year	7	<u>(4,631)</u>	<u>(3,144)</u>
Net current liabilities		<u>(2,794)</u>	<u>(1,846)</u>
Net liabilities		<u>(2,772)</u>	<u>(1,803)</u>
Capital and reserves			
Called up share capital	9	53	53
Profit and loss account		<u>(2,825)</u>	<u>(1,856)</u>
Shareholders' deficit		<u>(2,772)</u>	<u>(1,803)</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 15 November 2021

Martin Balaam

Mr M Balaam
Director

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

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2021

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 financial statements are prepared in sterling, which is the functional currency of the company for the period ended 30 June 2021. 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, particularly given additional funding of £4.25m was secured on 26th October 2021.

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;
- it is probable that the company will receive the consideration due under the contract;

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2021

1. Accounting policies (*continued*)

- 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

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2021

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 2021

2. Employees

The average number of persons (including directors) employed by the company during the year was 48 (2020: 43).

3. Directors' Remuneration

	2021 £000	2020 £000
Remuneration for qualifying services	360	158
Company pension contributions to defined contribution	10	3
	<u>370</u>	<u>161</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2020: 2).

4. Taxation

	2021 £000	2020 £000
UK corporation tax on losses	-	-
R&D tax credit – current year	(281)	(275)
Adjustment – prior year	107	(107)
Group relief payable(receivable)	-	(3)
Deferred taxation movements	(202)	(119)
	<u>(376)</u>	<u>(504)</u>

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2021

5. Tangible fixed assets

	Long-term leasehold property £000	Fixtures and fittings £000	Total £000
Costs			
At 1 July 2020	117	301	418
Additions	3	15	18
Disposals	-	(176)	(176)
	<hr/>	<hr/>	<hr/>
At 30 June 2021	120	140	260
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 July 2020	105	270	375
Charge for the year	10	29	39
Disposals	-	(176)	(176)
	<hr/>	<hr/>	<hr/>
At 30 June 2021	115	123	238
	<hr/>	<hr/>	<hr/>
Net book value			
At 30 June 2021	5	17	22
	<hr/>	<hr/>	<hr/>
At 30 June 2020	12	31	43
	<hr/>	<hr/>	<hr/>

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2021

6. Debtors

	Notes	2021 £000	2020 £000
Trade debtors		860	415
Other debtors		93	85
Prepayments		74	66
Amounts owed by group undertakings		41	18
Corporation tax		285	385
Deferred tax asset	8	443	241
		<u>1,796</u>	<u>1,210</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	2021 £000	2020 £000
Trade creditors		96	105
Other taxation and social security		228	390
Amounts owed to group undertakings		2,738	1,763
Other creditors		20	14
Accruals and deferred income		1,549	872
		<u>4,631</u>	<u>3,144</u>

Other taxation and social security includes pension contributions totalling £12k (2020: £9k) 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 2021

8. Deferred tax asset

	2021 £000	2020 £000
Deferred Tax asset	443	241
	<u>443</u>	<u>241</u>

9. Called up share capital

	2021 £000	2020 £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 2021 the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases:

	2021 £000	2020 £000
Within 1 year	55	111
Between 1 – 5 years	-	55
Total	<u>55</u>	<u>166</u>

Pimberly Software Development Limited

Notes to the Financial Statements for the year ended 30 June 2021

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 party transactions recorded during the period.