

Company Registration No. 07407815 (England and Wales)

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
ANNUAL REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 OCTOBER 2020

**PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
COMPANY INFORMATION**

Directors D Wylie
N C Williams

Company number 07407815

Registered office 1650 Parkway
Whiteley
Hampshire,
PO15 7AH

Accountants Cheesmans
4 Aztec Row
Berners Road
London
N1 0PW

**PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
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**PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
DIRECTORS' REPORT**

FOR THE YEAR ENDED 31 OCTOBER 2020

The directors present their annual report and financial statements for the year ended 31 October 2020.

Principal activities

The principal activity of the company is that of a credit data and software development house, specialising in open banking and automated decision technology.

The Directors are extremely pleased with the performance of the company this year, particularly in the context of the wider economic pressures of the COVID-19 pandemic. The headline performance showing a 19% increase in turnover compared to the previous year and an impressive 67% increase in operating profits demonstrates a strong underlying recurring revenue stream and improving profit margins. An extremely positive start to the year in Q1 was subsequently hindered by the onset of the pandemic in Q2, however new business demand returned in H2 as credit providers embraced the need for intelligent and automated decisioning technology, in this regard ADP has seen the strongest new business growth. During the height of the pandemic the company took the decision to secure a long-term lease on new premises, providing it with substantially more office space within which it can grow in the coming years and to facilitate a healthy and safe COVID secure workplace, headcount now exceeds 30.

The Directors and senior management team recognise the importance of innovation and the company therefore continues to invest heavily in R&D by following the long term roadmap devised in constant collaboration with its engaged and diverse customer base. Significant product enhancements have been received very well by existing customers and have been instrumental in winning new business, further such enhancements are planned during 2021 alongside plans for geographical expansion.

Since the end of this accounting year the company can report two significant events which have taken place. Firstly, contractual arrangements have been concluded which remove the obligation for the company to pay IP royalties to a 3rd party partner, this will add further to the profit margins of the company over the medium term. Secondly, a distribution agreement has been signed with Experian Limited which, in addition to the existing Equifax Ltd strategic partnership agreement, provides the company with a compelling multi-bureau data platform. Initial demand for this solution is very encouraging.

Finally, the Directors can report that as the UK economy emerges from the national lockdown, new business demand remains strong but transaction revenue is surging exponentially and is likely to add materially to the 2021 results.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Wylie
N C Williams

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the Board

N C Williams
Director
7 July 2021

**PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF PERFECT
DATA SOLUTIONS LIMITED FOR THE YEAR ENDED 31 OCTOBER 2020**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Perfect Data Solutions Limited for the year ended 31 October 2020 set out on pages 3 to 13 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Perfect Data Solutions Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Perfect Data Solutions Limited and state those matters that we have agreed to state to the Board of Directors of Perfect Data Solutions Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Perfect Data Solutions Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Perfect Data Solutions Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Perfect Data Solutions Limited. You consider that Perfect Data Solutions Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Perfect Data Solutions Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Cheesmans

7 July 2021

Chartered Accountants

4 Aztec Row
Berners Road
London
N1 0PW

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2020

		2020	2019
	Notes	£	£
Turnover	1.2	3,236,791	2,706,456
Cost of sales		(1,743,205)	(1,402,502)
		<hr/>	<hr/>
Gross profit		1,493,586	1,303,954
Administrative expenses		(1,142,936)	(987,140)
Other operating income		171,288	-
		<hr/>	<hr/>
Profit before taxation		521,938	316,814
Tax on profit		(93,045)	(5,200)
		<hr/>	<hr/>
Profit for the financial year		<u>428,893</u>	<u>311,614</u>

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
BALANCE SHEET

AS AT 31 OCTOBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Intangible assets	3		8,511		12,765
Tangible assets	4		50,364		5,134
Current assets					
Debtors	5	1,700,530		505,672	
Cash at bank and in hand		868,607		288,847	
		<u>2,569,137</u>		<u>794,519</u>	
Creditors: amounts falling due within one year	6	<u>(1,340,808)</u>		<u>(468,598)</u>	
Net current assets			<u>1,228,329</u>		<u>325,921</u>
Total assets less current liabilities			<u>1,287,204</u>		<u>343,820</u>
Creditors: amounts falling due after more than one year	7		(504,922)		-
Provisions for liabilities			(9,569)		-
Net assets			<u>772,713</u>		<u>343,820</u>
Capital and reserves					
Called up share capital	8		344		344
Share premium account			9,800		9,800
Profit and loss reserves			762,569		333,676
Total equity			<u>772,713</u>		<u>343,820</u>

**PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
BALANCE SHEET (CONTINUED)**

AS AT 31 OCTOBER 2020

For the financial year ended 31 October 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 7 July 2021 and are signed on its behalf by:

N C Williams
Director

Company Registration No. 07407815

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2020

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 November 2018	344	9,800	186,635	196,779
Year ended 31 October 2019:				
Profit and total comprehensive income for the year	-	-	311,614	311,614
Dividends	-	-	(164,573)	(164,573)
	<u>344</u>	<u>9,800</u>	<u>333,676</u>	<u>343,820</u>
Balance at 31 October 2019				
	344	9,800	333,676	343,820
Year ended 31 October 2020:				
Profit and total comprehensive income for the year	-	-	428,893	428,893
	<u>344</u>	<u>9,800</u>	<u>762,569</u>	<u>772,713</u>
Balance at 31 October 2020	<u><u>344</u></u>	<u><u>9,800</u></u>	<u><u>762,569</u></u>	<u><u>772,713</u></u>

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

Company information

Perfect Data Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1650 Parkway, Whiteley, Hampshire., PO15 7AH. The financial statements cover the company as an individual entity only.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. 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. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is five years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies **(Continued)**

1.5 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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	7 year straight line
Computer equipment	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors and loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.11 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 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020	2019
	Number	Number
Total	25	21
	<u> </u>	<u> </u>

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

3	Intangible fixed assets			Goodwill
				£
	Cost			
	At 1 November 2019 and 31 October 2020			21,273
				<hr/>
	Amortisation and impairment			
	At 1 November 2019			8,508
	Amortisation charged for the year			4,254
				<hr/>
	At 31 October 2020			12,762
				<hr/>
	Carrying amount			
	At 31 October 2020			8,511
				<hr/> <hr/>
	At 31 October 2019			12,765
				<hr/> <hr/>
4	Tangible fixed assets			
		Land and	Plant and	Total
		buildings	machinery etc	
		£	£	£
	Cost			
	At 1 November 2019	-	16,235	16,235
	Additions	41,327	11,206	52,533
		<hr/>	<hr/>	<hr/>
	At 31 October 2020	41,327	27,441	68,768
		<hr/>	<hr/>	<hr/>
	Depreciation and impairment			
	At 1 November 2019	-	11,101	11,101
	Depreciation charged in the year	1,722	5,581	7,303
		<hr/>	<hr/>	<hr/>
	At 31 October 2020	1,722	16,682	18,404
		<hr/>	<hr/>	<hr/>
	Carrying amount			
	At 31 October 2020	39,605	10,759	50,364
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	At 31 October 2019	-	5,134	5,134
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

5 Debtors	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	340,522	341,727
Other debtors	595,332	163,945
	<u>935,854</u>	<u>505,672</u>

	2020	2019
	£	£
Amounts falling due after more than one year:		
Other debtors	764,676	-
	<u>764,676</u>	<u>-</u>
Total debtors	<u>1,700,530</u>	<u>505,672</u>

6 Creditors: amounts falling due within one year	2020	2019
	£	£
Trade creditors	156,446	181,867
Taxation and social security	300,074	97,920
Other creditors	884,288	188,811
	<u>1,340,808</u>	<u>468,598</u>

Included in Other Creditors is a loan of £300,000 (2019 £ nil) due to a director, D Wylie. The loan is unsecured and interest of 2.25% per annum is charged.

7 Creditors: amounts falling due after more than one year	2020	2019
	£	£
Other creditors	504,922	-
	<u>504,922</u>	<u>-</u>

Included in Other Creditors is a loan of £504,922 (2019 £ nil) due to a director, D Wylie. The loan is unsecured and interest of 2.25% per annum is charged.

PERFECT DATA SOLUTIONS LIMITED
TRADING AS LENDING METRICS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020

8 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
10,000 A Ordinary shares of 1p each	100	100
19,207 B Ordinary shares of 1p each (2019- 14,259)	192	143
4,558 C Ordinary shares of 1p each (2019- 4,022)	46	40
609 D Ordinary shares of 1p each	6	6
0 E Ordinary shares of 1p each (2019- 3,656)	-	37
0 F Ordinary shares of 1p each (2019- 1,828)	-	18
	<u>344</u>	<u>344</u>

On 30 October 2020, Ordinary Resolutions were passed, whereby :-
3,656 issued E Ordinary Non Voting Shares of £0.01 each in the capital of the company were redesignated as
3,656 B Ordinary Non Voting Share of £0.01 each.
1,828 issued F Ordinary Non Voting Shares of £0.01 each in the capital of the company were redesignated as
1,828 C Ordinary Non Voting Share of £0.01 each.
1,292 issued C Ordinary Non Voting Shares of £0.01 each in the capital of the company were redesignated
as 1,292 B Ordinary Non Voting Share of £0.01 each.

9 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2020	2019
£	£
174,999	-
<u>174,999</u>	<u>-</u>

10 Directors' transactions

No dividends £0 (2019 - £159,572) were paid in the year in respect of shares held by the company's directors, as follows:

D.Wylie £nil (2019:£ 116,572)
N.Williams £nil (2019:£43,000)

11 Post balance sheet events

On 30 November 2020, the company purchased Intellectual Property Rights from N. Williams for a consideration of £100,000.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.