Company Registration No. 02528958 (England and Wales)

DOCUMATION SOFTWARE LIMITED

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2023

PAGES FOR FILING WITH REGISTRAR

Company Registration No. 02528958

DOCUMATION SOFTWARE LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	4		1,988,000		1,919,574
Tangible assets	5		124,519		123,373
			2,112,519		2,042,947
Current assets					
Debtors	6	1,010,495		672,193	
Cash at bank and in hand		-		35,907	
		1,010,495		708,100	
Creditors: amounts falling due within one year	7	(592,861)		(388,748)	
Net current assets			417,634		319,352
Total assets less current liabilities			2,530,153		2,362,299
Creditors: amounts falling due after more than one year	8		(377,847)		(438,718)
Provisions for liabilities	9		(295,438)		(288,951)
Deferred income	10		(1,266,621)		(1,038,463)
Net assets			590,247		596,167
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			590,147		596,067
Total equity			590,247		596,167

The director of the company has elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 June 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

Company Registration No. 02528958

DOCUMATION SOFTWARE LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2023

The financial statements were approved and signed by the director and authorised for issue on 27-Mar-2024

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W J Wallace
Director

1 Accounting policies

Company information

Documation Software Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is White Building, 1-4 Cumberland Place, Southampton, England, SO15 2NP.

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.

Going concern

These accounts are prepared on the going concern basis. The director has a reasonable expectation that the company will continue in operational existence for the foreseeable future. The director has also assessed the impact of the continuing COVID-19 pandemic on the future outlook for the business. Given the current levels of trading and future forecasts, the director believes that the going concern basis continues to be appropriate in preparing the financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received for services sold during the year, less returns received, at selling price exclusive of VAT, for systems implementation and maintenance in the normal course of business.

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.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost less accumulated amortisation and accumulated impairment losses.

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

Intellectual property	12% reducing balance

1 Accounting policies (Continued)

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

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

Office equipment	25% reducing balance
Computer equipment	25% reducing balance
Motor vehicles	25% reducing balance

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.

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).

Cash and cash equivalents
Cash and cash equivalents are basic financial instruments and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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

Financial instruments are recognised 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

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

1 Accounting policies (Continued)

Equity instruments
Equity instruments issued by the company are recorded at the fair value of 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.

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.

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

2 Employees

Wages and salaries are made up of recharges from a company under common control only and therefore the average monthly number of persons (including directors) employed by the company during the year was nil (2022 - nil).

3 Dividends

	2023	2022
	£	£
Final paid	112,680	103,800

4 Intangible fixed assets

	Intellectual property
	£
Cost	
At 1 July 2022	4,824,934
Additions - internally developed	298,775
At 30 June 2023	5,123,709
Amortisation and impairment	
At 1 July 2022	2,905,360
Amortisation charged for the year	230,349
At 30 June 2023	3,135,709
Carrying amount	
At 30 June 2023	1,988,000
At 30 June 2022	1,919,574

5 Tangible fixed assets

	Office equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 July 2022	17,185	503,366	68,941	589,492
Additions	430	41,184	6,300	47,914
Disposals	(14,717)	(135,601)	-	(150,318)
At 30 June 2023	2,898	408,949	75,241	487,088
Depreciation and impairment				
At 1 July 2022	14,405	401,427	50,287	466,119
Depreciation charged in the year	289	26,085	5,845	32,219
Eliminated in respect of disposals	(12,576)	(123,193)	-	(135,769)
At 30 June 2023	2,118	304,319	56,132	362,569
Carrying amount				
At 30 June 2023	780	104,630	19,109	124,519
At 30 June 2022	2,780	101,939	18,654	123,373

6 *Debtors*

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	472,074	253,460
Corporation tax recoverable	-	869
Other debtors	538,421	417,864
	1,010,495	672,193

7 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts	154,129	9,724
Trade creditors	133,207	53,633
Taxation and social security	105,032	151,828
Other creditors	200,493	173,563
	592,861	388,748

Bank overdrafts are secured with a floating charge over the assets of the company. Included within other creditors is £42,254 (2022 - £34,348) relating to finance lease agreements which are secured over the assets of the company.

8 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Bank loans and overdrafts	93,057	115,984
Other creditors	284,790	322,734
	377,847	438,718

Included within other creditors is £22,089 (2022 - £20,553) relating to finance lease agreements which are secured over the assets of the company.

Included within other creditors is £100,000 (2022 - £100,000) of preference shares. These are redeemable at par at the discretion of the holder and entitle the holder to fixed cumulative interest at base rate plus 4%. (2022 - 4%).

9 Provisions for liabilities

	2023 £	2022 £
Deferred tax liabilities	295,438	288,951

10 Deferred income

	2023	2022
	£	£
Other deferred income	1,266,621	1,038,463

Deferred income relates to deferred maintenance charges which have been paid for in advance by customers and are not refundable. It represents guaranteed future income for agreed maintenance work.

11 Related party transactions

Transactions with related parties
During the year the company entered into the following transactions with related parties:

	Management charges paid	
	2023	2022
	£	£
Entities under common control	2,075,801	1,812,250

The following amounts were outstanding at the reporting end date:

	2023	2022
Amounts due to related parties	£	£
Entities under common control	92,102	72,214

12 Directors' transactions

At the year end, the company owed £nil (2022 - £nil) to the company director and shareholder. The movement includes money loaned to the company of £nil (2022 - £125,000), dividends adjustment of £nil (2022 - £4,935) and loan repayments of £nil (2022 - £132,425). Interest was paid on the loan of £nil (2022 - £2,730). This amount is included in other creditors falling due after more than one year.

During the year the company paid finance charges on preference shares of £4,000 (2022 - £4,000) to the director.

Two company loans are secured by a personal guarantee provided by the director for the amount of £202,181 (2022 - £237,567).