

DE FACTO SOFTWARE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

DE FACTO SOFTWARE LIMITED
REGISTERED NUMBER: 02343897

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	50,408	<i>28,374</i>
		50,408	<i>28,374</i>
Current assets			
Debtors: amounts falling due within one year	5	316,758	<i>318,512</i>
Cash at bank and in hand		874,863	<i>979,461</i>
		1,191,621	<i>1,297,973</i>
Creditors: amounts falling due within one year	6	(716,623)	<i>(747,066)</i>
Net current assets		474,998	<i>550,907</i>
Total assets less current liabilities		525,406	<i>579,281</i>
Creditors: amounts falling due after more than one year	7	(157,215)	<i>(221,573)</i>
Net assets		368,191	<i>357,708</i>
Capital and reserves			
Called up share capital	9	661	<i>661</i>
Share premium account		17,170	<i>17,170</i>
Capital redemption reserve		340	<i>340</i>
Profit and loss account		350,020	<i>339,537</i>
		368,191	<i>357,708</i>

DE FACTO SOFTWARE LIMITED
REGISTERED NUMBER: 02343897

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 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 FRS 102 Section 1A - small entities.

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

The Company has opted not to file the income statement in accordance with provisions applicable to companies subject to the small companies' regime.

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

.....
M A Prince

Director

Date: 30 March 2022

DE FACTO SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

De Facto Software Limited is a private company incorporated in England and Wales, registration number 02343897. The registered office is Epsilon House, West Road, Ipswich, Suffolk, IP3 9FJ. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the Company's position at the time of signing the financial statements, and in particular the current issues caused by COVID-19 and its potential impact on the Company and the wider economy. As such under the current circumstances, it is difficult to produce meaningful forecasts for the remainder of the financial year and medium term.

Based on this, the directors have concluded that they have a reasonable expectation that the Company will have the adequate resources to continue in operational existence for the foreseeable future, and, based on the economic environment recovering within the timeframe currently being widely anticipated, at least twelve months from the date of signing these financial statements, they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Rendering of services

Revenue 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 revenue can be measured reliably;
- 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.

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model 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 charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures & fittings	- Over 4-5 years
Computer equipment	- Over 3 years
Improvements to property	- Over 3 years

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 profit or loss.

2.5 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Income statement in the same period as the related expenditure.

DE FACTO SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.9 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Pensions**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.12 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.13 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Employees

The average monthly number of employees, including directors, during the year was 28 (2020 - 31).

DE FACTO SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Tangible fixed assets

	Fixtures & fittings £	Computer equipment £	Improvements to property £	Total £
Cost or valuation				
At 1 January 2021	63,985	221,193	5,400	290,578
Additions	-	50,985	-	50,985
At 31 December 2021	63,985	272,178	5,400	341,563
Depreciation				
At 1 January 2021	61,472	200,582	150	262,204
Charge for the year on owned assets	1,491	25,660	1,800	28,951
At 31 December 2021	62,963	226,242	1,950	291,155
Net book value				
At 31 December 2021	1,022	45,936	3,450	50,408
At 31 December 2020	2,513	20,611	5,250	28,374

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Debtors

	2021 £	<i>2020</i> <i>£</i>
		Page 6
Trade debtors	267,919	288,035
Other debtors	3,300	3,300
Prepayments and accrued income	45,539	27,177
	<u>316,758</u>	<u>318,512</u>

6. Creditors: Amounts falling due within one year

	2021 £	<i>2020</i> <i>£</i>
Other loans	59,542	28,427
Payments received on account	7,219	-
Trade creditors	11,595	18,501
Other taxation and social security	118,803	176,284
Accruals and deferred income	519,464	523,854
	<u>716,623</u>	<u>747,066</u>

7. Creditors: Amounts falling due after more than one year

	2021 £	<i>2020</i> <i>£</i>
Other loans	157,215	221,573
	<u>157,215</u>	<u>221,573</u>

DE FACTO SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Loans

Analysis of the maturity of loans is given below:

	2021 £	<i>2020</i> £
Amounts falling due within one year		
Other loans	59,542	<i>28,427</i>
	59,542	<i>28,427</i>
Amounts falling due 1-2 years		
Other loans	128,765	<i>121,773</i>
	128,765	<i>121,773</i>
Amounts falling due 2-5 years		
Other loans	28,450	<i>99,800</i>
	28,450	<i>99,800</i>
	216,757	<i>250,000</i>

9. Share capital

	2021 £	<i>2020</i> £
Allotted, called up and fully paid		
658 (2020 - 658) Ordinary shares shares of £1.00 each	658	<i>658</i>
1 (2020 - 1) Class A shares share of £1.00	1	<i>1</i>
1 (2020 - 1) Class B shares share of £1.00	1	<i>1</i>
1 (2020 - 1) Class D shares share of £1.00	1	<i>1</i>
	661	<i>661</i>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	<i>2020</i> <i>£</i>
Not later than 1 year	41,250	<i>37,813</i>
Later than 1 year and not later than 5 years	20,625	<i>-</i>
	<u>61,875</u>	<u><i>37,813</i></u>