

Registered number: 03069009

---

**SOFTWARE GENERATION HOLDINGS LIMITED**

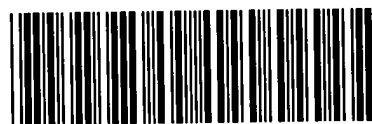
---

**UNAUDITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2020**

THURSDAY



\*AA3YJ5VV\*

A11

06/05/2021

#186

COMPANIES HOUSE

---

**SOFTWARE GENERATION HOLDINGS LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	Daniel William Castles Jonathan Patrick Wilson
<b>Registered number</b>	03069009
<b>Registered office</b>	Suite 1c, The Crescent Centre Temple Back Bristol BS1 6EZ

---

**SOFTWARE GENERATION HOLDINGS LIMITED**

---

**CONTENTS**

---

	Page
Directors' Report	1
Accountant's Report	2
Statement of Income and Retained Earnings	3
Statement of Financial Position	4 - 5
Notes to the Financial Statements	6 - 13

---

## SOFTWARE GENERATION HOLDINGS LIMITED

---

### DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2020

---

The directors present their report and the financial statements for the year ended 30 June 2020.

#### Directors

The directors who served during the year were:

George Duncan Duguid Kilpatrick (resigned 11 March 2021)

Patrick Andrew Gardner (resigned 11 March 2021)

#### Post balance sheet events

On 11 March 2021 the Group was acquired by Telestream, LLC, headquartered in Nevada City, CA, U.S.A. Telestream acquired a competitor of the Group in October 2020 and, while integration plans have yet to be finalised, intends to bring a combined product offering to market in late 2021.


#### Going Concern

The company has received confirmation from the ultimate controlling party, Telestream LLC, that sufficient financial support will be provided for the foreseeable future. After reviewing the current status of operations and taking into consideration the funding available the company, the directors have reasonable expectation that the company has access to adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements and for the foreseeable future. For this reason, the directors have adopted the going concern basis in the preparation of the financial statements.

#### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 4 May 2021 and signed on its behalf.



Jonathan Patrick Wilson  
Director

---

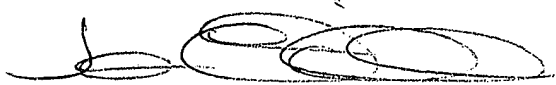
**SOFTWARE GENERATION HOLDINGS LIMITED**

---

**CHARTERED ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED  
STATUTORY FINANCIAL STATEMENTS OF SOFTWARE GENERATION HOLDINGS LIMITED  
FOR THE YEAR ENDED 30 JUNE 2020**

---

In order to assist you to fulfil your duties under the Companies Act 2006, I have compiled the financial statements of SOFTWARE GENERATION HOLDINGS LIMITED for the year ended 30 June 2020 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes from the Company's accounting records and from information and explanations you have given me.



**Jonathan Patrick Wilson**

4 May 2021

---

**SOFTWARE GENERATION HOLDINGS LIMITED**

---

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 30 JUNE 2020**

---

Note	2020 £	2019 £
Turnover	25,625	48,881
Cost of sales	(36,695)	(115,833)
<b>Gross loss</b>	<b>(11,070)</b>	<b>(66,952)</b>
Administrative expenses	(49,708)	(123,344)
Other operating income	(730)	-
<b>Operating loss</b>	<b>(61,508)</b>	<b>(190,296)</b>
Interest receivable and similar income	51	76
<b>Loss before tax</b>	<b>(61,457)</b>	<b>(190,220)</b>
Tax on loss	4,563	(70,019)
<b>Loss after tax</b>	<b>(56,894)</b>	<b>(260,239)</b>
Retained earnings at the beginning of the year	1,803,377	2,063,616
	1,803,377	2,063,616
Loss for the year	(56,894)	(260,239)
<b>Retained earnings at the end of the year</b>	<b>1,746,483</b>	<b>1,803,377</b>

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of income and retained earnings.

The notes on pages 6 to 13 form part of these financial statements.

**SOFTWARE GENERATION HOLDINGS LIMITED**  
**REGISTERED NUMBER: 03069009**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	6	1,333	9,333
Tangible assets	7	23,406	49,262
Investments	8	100,000	100,000
		<u>124,739</u>	<u>158,595</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	1,801,409	1,834,378
Cash at bank and in hand		9,412	28,502
		<u>1,810,821</u>	<u>1,862,880</u>
Creditors: amounts falling due within one year	10	(81,787)	(106,245)
<b>Net current assets</b>		<u>1,729,034</u>	<u>1,756,635</u>
<b>Total assets less current liabilities</b>		<u>1,853,773</u>	<u>1,915,230</u>
<b>Provisions for liabilities</b>			
Deferred tax		(3,124)	(7,687)
		<u>(3,124)</u>	<u>(7,687)</u>
<b>Net assets</b>		<u><u>1,850,649</u></u>	<u><u>1,907,543</u></u>
<b>Capital and reserves</b>			
Called up share capital		104,166	104,166
Profit and loss account		1,746,483	1,803,377
		<u><u>1,850,649</u></u>	<u><u>1,907,543</u></u>

---

**SOFTWARE GENERATION HOLDINGS LIMITED**  
**REGISTERED NUMBER: 03069009**

---

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 JUNE 2020**

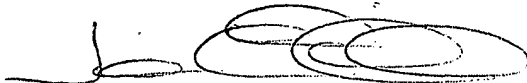
---

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 were approved and authorised for issue by the board and were signed on its behalf on 4 May 2021.



**Jonathan Patrick Wilson**  
Director

The notes on pages 6 to 13 form part of these financial statements.



---

## SOFTWARE GENERATION HOLDINGS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

---

#### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Suite 1c, The Crescent Centre, Temple Back, Bristol, England BS1 6EZ..

#### 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 following principal accounting policies have been applied:

##### 2.2 Going concern

The company has received confirmation from the ultimate controlling party, Telestream Llc, that sufficient financial support will be provided for the foreseeable future. After reviewing the current status of operations and taking into consideration the funding available the company, the directors have reasonable expectation that the company has access to adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements and for the foreseeable future. For this reason, the directors have adopted the going concern basis in the preparation of the financial statements.

##### 2.3 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

---

## SOFTWARE GENERATION HOLDINGS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

---

#### 2. Accounting policies (continued)

##### 2.4 Revenue

Turnover represents revenue generated from: software licence sales; software support; installation; hardware sales; training and management fees receivable and is shown net of Value Added Tax.

Software licence sales are recognised when the customer has the right to use the software on a temporary license, which is on receipt of invoice and lasts for 30 days. Permanent licences are given on full payment of the invoice.

Software support is recognised over the period to which the support relates.

The installation of software and licences is recognised when the risks and rewards are considered to have been transferred to the customer, which is at the date of the invoice. At this point, the contract is not cancellable. The corresponding costs of installations are accrued as appropriate.

Hardware sales are recognised when the risks and rewards of ownership have passed to the customer, which is on receipt of goods by the customer.

Training days are recognised in the period which they occur, the corresponding costs of training are accrued

Management fees receivable are recognised during the period to which they relate.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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 the contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome can be estimated reliably, revenue is recognised only to the extent of the expenses recognised are recoverable.

##### 2.5 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.

---

## SOFTWARE GENERATION HOLDINGS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

---

#### 2. Accounting policies (continued)

##### 2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### 2.7 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Patents, Trademarks & Licences - 20 % Straight Line

##### 2.8 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.

---

## SOFTWARE GENERATION HOLDINGS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

---

#### 2. Accounting policies (continued)

##### 2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, SELECT OR ENTER METHOD.

Depreciation is provided on the following basis:

Fixtures and fittings	-	15% Reducing balance
Computer equipment	-	25% Straight line method

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.

##### 2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

#### 3. Auditors' remuneration

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

The cost of the audit fees for the period ending 30th June 2020 was borne by Archive Bidco Limited.

#### 4. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Average number of employees	2	4

---

SOFTWARE GENERATION HOLDINGS LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

---

**5. Profit before taxation**

Profit before taxation is stated after charging:

	2020 £	2019 £
Amortisation of intangible assets	8,000	8,000
Depreciation of tangible assets	25,126	35,222

**6. Intangible assets**

	Patents, trademarks and licences £
<b>Cost</b>	
At 1 July 2019	40,000
At 30 June 2020	40,000
<b>Amortisation</b>	
At 1 July 2019	30,667
Charge for the year on owned assets	8,000
At 30 June 2020	38,667
<b>Net book value</b>	
At 30 June 2020	1,333
At 30 June 2019	9,333

---

SOFTWARE GENERATION HOLDINGS LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

---

7. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 July 2019	80,612	443,258	523,870
Disposals	(3,651)	(246,813)	(250,464)
At 30 June 2020	76,961	196,445	273,406
<b>Depreciation</b>			
At 1 July 2019	65,757	408,851	474,608
Charge for the year on owned assets	2,385	22,741	25,126
Disposals	(3,371)	(246,363)	(249,734)
At 30 June 2020	64,771	185,229	250,000
<b>Net book value</b>			
At 30 June 2020	12,190	11,216	23,406
At 30 June 2019	14,855	34,407	49,262

---

SOFTWARE GENERATION HOLDINGS LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

---

8. Fixed asset investments

	Investments in Subsidiary's £
At 1 July 2019	<u>100,000</u>

9. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	1,801,318	1,826,657
Other debtors	-	7,721
Prepayments and accrued income	91	-
	<u>1,801,409</u>	<u>1,834,378</u>

Amounts owed by group undertakings in which the company has a participating interest includes an intercompany loan of £1,801,318 which is repayable on demand and is interest free.

10. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	30	1,521
Amounts owed to group undertakings	61,687	61,687
Corporation tax	34	34
Other taxation and social security	-	3,003
Accruals and deferred income	20,036	40,000
	<u>81,787</u>	<u>106,245</u>

Amounts owed to group undertakings in which the company has a participating interest includes an intercompany loan of £61,687 which is payable on demand and interest free.

On 9th June 2019 FPE Capital LLP issues a fixed and floating charge over the assets of the company.

---

## SOFTWARE GENERATION HOLDINGS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

---

#### 11. Related party transactions

The company has taken advantage of the exemption from the requirement to disclose transactions with wholly owned group companies on the grounds that it is a wholly owned subsidiary of Archive Topco Limited.

#### 12. Subsequent events

On 11 March 2021 the Group was acquired by Telestream, LLC, headquartered in Nevada City, CA, U.S.A. Telestream acquired a competitor of the Group in October 2020 and, while integration plans have yet to be finalised, intends to bring a combined product offering to market in late 2021.

#### 13. Controlling party

The company's immediate parent is Archive Bidco Limited, a company incorporated in England and Wales. The ultimate parent undertaking of Software Generation Holdings Limited is Archive Topco Limited, a company incorporated in England and Wales. Its registered office is Suite 1c, The Crescent Centre, Temple Back, Bristol, England, BS1 6EZ.

The financial statements of Archive Topco Limited are publicly available and may be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

The company's ultimate controlling party is Telestream LLC.