

Registration number: 03410598

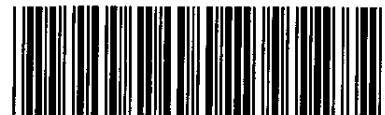
Integrity Software Systems Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 July 2019

Blackman Terry LLP
Bolney Place
Cowfold Road
Bolney
Haywards Heath
West Sussex
RH17 5QT

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Integrity Software Systems Limited

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Integrity Software Systems Limited

Company Information

Director	Mr J D McFarlane
Registered office	Two Snow Hill 11th Floor Birmingham B4 6WR
Accountants	Blackman Terry LLP Bolney Place Cowfold Road Bolney Haywards Heath West Sussex RH17 5QT

Integrity Software Systems Limited

Strategic Report for the Year Ended 31 July 2019

The director presents his strategic report for the year ended 31 July 2019.

Principal activity

The company's principal activity during the year was the provision of information technology solutions to customers in the construction industry. This encompasses the development and licensing of market specific business process application software supported by a comprehensive range of IT solutions and support services.

The principal activity of the company is that of a trading company, supplying licenses and ancillary associated services.

Business review and key performance indicators (KPIs)

The company supplies independent software solutions to the UK and Ireland focused on the construction industry. The company operates as a stand-alone business entity.

Our overall strategy relies upon a thorough understanding of our customers and their requirements. The focus is to protect solid and resilient recurring customer bases whilst extending and developing product offerings to promote on-going trading. The ethos of the business is to add and develop incremental elements of software sales and services and, in doing so, this will boost the underlying support revenues.

The company has an overriding philosophy of customer service and innovation to support and build strong relationships with its customers. Recurring revenue underpins the business results and the future of the company as a whole.

The company invests in development, constantly enhancing and updating the products we sell, to maintain existing customer engagement as well as offering opportunities for new sales within existing and new markets.

The company's main key performance indicators are turnover, profit before tax and cash balances. All indicators are compared against budget and prior year performance.

Turnover for the year rose by 11.3% to £4,314,770, this was in part down to one off revenue streams brought about by changes in UK legislative treatment of VAT, notably Making Tax Digital and the now deferred implementation of Reverse Charge VAT, both of which have required customers to realise and develop new accounting practices.

Annual recurring license fee sales continue to represent a significant proportion of turnover and provide the business with good and regular cash generation.

Profit before tax decreased by 1.5% to £1,501,727, the main impacts being increases in costs brought about by one off legislative changes and customer migrations.

Cash balances as at 31 July 2019 were £153,524 (2018: £191,416). We continue to maintain strong cash to profit ratios though debt repayments, inter-group loans payments reduced the cash levels year on year.

Principal risks and uncertainties

The management of the business and the execution of its strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company relate to competitors, product availability, the development of new products and general economic conditions in the construction industry.

Integrity Software Systems Limited

Strategic Report for the Year Ended 31 July 2019

The Board formally reviews risks and appropriate processes put in place to monitor and mitigate them. If several events occur, it is possible that the overall effect of such events would compound the possible adverse effects on the company.

Financial risk management

The group has established a treasury function, which supports the operating activities of the business. Its primary role is to ensure that adequate resources are available to meet the funding requirements of the business on a day-to-day basis and for ensuring that financial risk arising from the group's underlying operations are effectively identified and managed.

The company's operations expose it to a variety of financial risks that include credit risk, liquidity risk and foreign exchange risk.

Credit risk

The director assesses the company's exposure to credit risk by monitoring the accumulated trading balances with existing clients.

Liquidity risk

Arrangements are made with group undertakings to ensure that suitable and appropriate access to long term funding is available. Short-term working capital requirements are monitored through cash flow forecasting.

Foreign exchange risk

The company trades in the UK, Europe the US and in Dubai. The business is therefore exposed to foreign exchange risk arising from currency exposures as a result of these transactions, primarily with respect to the UAE dirham, the Euro and the US dollar. The director believes that although the business is exposed to these risks, they are not considered significant to the trading of the company.

Future developments

The construction market in the UK is more changeable than it has been for some time. Brexit continues to dominate the news and may well have had an impact on investment decisions, but Government and new election pledges for large scale infrastructure projects, renovation of buildings to address environmental and safety issues and recent upturns in reported house production offers more opportunities for our customers and therefore for us in the long term. With a long-standing and extensive customer base of customers in the UK construction industry, this remains the company's focus to service and maintain a strong relationship as an industry leader in the United Kingdom.

The director remains optimistic about the opportunities in the UK and Ireland economies and in particular the construction industry. The focus for the next twelve months continues to be:

The provision of product of exceptional quality through professional and diligent resourcing;

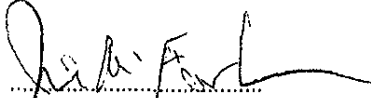
Maintaining and strengthening customer relationships;

Investment in new technology and core areas of the business. The businesses demonstrate a wider breadth than simply financial accounting solutions and with recent acquisitions and partner arrangements the breadth in the market is further expanded. Recent Group wide acquisitions offer us new opportunities to provide facilities management toolsets and the provision of BIM solutions.

We will continue to build and develop products, which will provide our customers to achieve competitive advantage and eliminate risk by improving operational efficiency and cost control.

Integrity Software Systems Limited
Strategic Report for the Year Ended 31 July 2019

Approved by the director on 04/02/20 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'J D McFarlane', written over a dotted line.

Mr J D McFarlane
Director

Integrity Software Systems Limited

Director's Report for the Year Ended 31 July 2019

The director presents his report and the financial statements for the year ended 31 July 2019.

Director of the company

The director who held office during the year was as follows:

Mr J D McFarlane

Results and dividends

The results for the year are set out on page 8. The company recorded a profit before tax for the financial year of £1,501,727 (2018: £1,525,082).

The director does not propose a dividend (2018: £nil).

Research and development

The company maintains an active and focused research and development function. Work includes ensuring that software is constantly upgraded for technical and infrastructure improvements as requirements evolve, that software is consistent and up to date with regards to legislative and operational requirements and that the functionality and features of the software are innovative and focused to extend the product's footprint in the market and its commercial longevity. Research and development spend during the year was £374,941 (2018: £527,722).

Political and charitable donations

The company aims wherever possible to make a positive impact upon the community, at large, and to that effect the company made donations to UK charities amounting to £610 (2018: £400). The company made no political donations during the year (2018: nil).

Post balance sheet events

None are noted at this time.

Statement of directors' responsibilities in respect of the financial statements

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation. Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the director must not approve the financial statements unless he is 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 the financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

Integrity Software Systems Limited

Director's Report for the Year Ended 31 July 2019

The director is 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.

The director is 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.

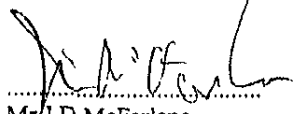
In the case of the director in office at the date the Director's Report is approved:

- so far as the director is aware, there is no relevant information of which the company's accountants are unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant accounting information and to establish that and company's auditors are aware of that information.

Independent auditors

Under section 479A of the Companies Act 2006, the company has sought exemption from audit relating to subsidiary companies.

Approved by the director on 04/02/20 and signed on its behalf by:


.....
Mr J D McFarlane
Director

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited
Statutory Accounts of
Integrity Software Systems Limited
for the Year Ended 31 July 2019**

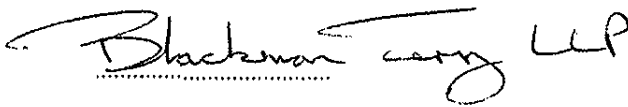
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Integrity Software Systems Limited for the year ended 31 July 2019 as set out on pages 8 to 20 from the company's accounting records and from information and explanations you 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 Integrity Software Systems 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 accounts of Integrity Software Systems Limited and state those matters that we have agreed to state to the Board of Directors of Integrity Software Systems 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 Integrity Software Systems Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Integrity Software Systems Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Integrity Software Systems Limited. You consider that Integrity Software Systems 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 accounts of Integrity Software Systems 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 accounts.



Blackman Terry LLP
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Bolney
Haywards Heath
West Sussex
RH17 5QT

Date: 24/2/2020

Integrity Software Systems Limited

Profit and Loss Account for the Year Ended 31 July 2019

	Note	2019 £	2018 £
Turnover	3	4,314,770	3,876,309
Cost of sales		<u>(938,656)</u>	<u>(835,031)</u>
Gross profit		3,376,114	3,041,278
Administrative expenses		<u>(1,872,731)</u>	<u>(1,516,196)</u>
Operating profit	5	<u>1,503,383</u>	<u>1,525,082</u>
Other interest receivable and similar income	6	389	-
Interest payable and similar expenses	7	<u>(2,045)</u>	<u>-</u>
		<u>(1,656)</u>	<u>-</u>
Profit before tax		1,501,727	1,525,082
Taxation	9	<u>(285,268)</u>	<u>(277,376)</u>
Profit for the financial year		<u>1,216,459</u>	<u>1,247,706</u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 12 to 20 form an integral part of these financial statements.

Integrity Software Systems Limited

Statement of Comprehensive Income for the Year Ended 31 July 2019

	2019	2018
	£	£
Profit for the year	<u>1,216,459</u>	<u>1,247,706</u>
Total comprehensive income for the year	<u>1,216,459</u>	<u>1,247,706</u>

Integrity Software Systems Limited

(Registration number: 03410598)

Balance Sheet as at 31 July 2019

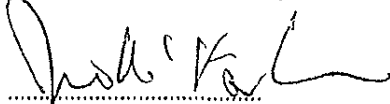
	Note	2019 £	2018 £
Fixed assets			
Tangible assets	10	29,121	43,457
Investments	11	<u>707,529</u>	<u>707,529</u>
		<u>736,650</u>	<u>750,986</u>
Current assets			
Debtors	12	5,805,176	4,215,461
Cash at bank and in hand		<u>153,524</u>	<u>191,416</u>
		5,958,700	4,406,877
Creditors: Amounts falling due within one year	14	<u>(2,410,932)</u>	<u>(2,089,904)</u>
Net current assets		<u>3,547,768</u>	<u>2,316,973</u>
Net assets		<u>4,284,418</u>	<u>3,067,959</u>
Capital and reserves			
Called up share capital	16	1	1
Profit and loss account		<u>4,284,417</u>	<u>3,067,958</u>
Total equity		<u>4,284,418</u>	<u>3,067,959</u>

For the financial year ending 31 July 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved and authorised by the director on 04/02/20



Mr. D McFarlane
Director

The notes on pages 12 to 20 form an integral part of these financial statements.

Integrity Software Systems Limited

Statement of Changes in Equity for the Year Ended 31 July 2019

	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 August 2018	1	3,067,958	3,067,959
Profit for the year	-	1,216,459	1,216,459
Total comprehensive income	-	1,216,459	1,216,459
At 31 July 2019	1	4,284,417	4,284,418
	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 August 2017	1	1,820,252	1,820,253
Profit for the year	-	1,247,706	1,247,706
Total comprehensive income	-	1,247,706	1,247,706
At 31 July 2018	1	3,067,958	3,067,959

Integrity Software Systems Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Two Snow Hill
11th Floor
Birmingham
B4 6WR

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

Consolidation exemption

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare group financial statements because it is a wholly owned subsidiary of JDM Technology Group Limited, which prepares consolidated financial statements which are publicly available. Accordingly, these financial statements are those of the company and not of its group.

Cash flow statement

The company has taken advantage of the exemption under Section 7 of FRS 102 and p3.17(d) not to prepare a statement of cash flows as it is a wholly owned subsidiary of JDM Technology Group Limited, which has prepared consolidated financial statements with a cash flow statement and these financial statements are publicly available..

Integrity Software Systems Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

Revenue recognition

Turnover relates to amounts invoiced to customers (net of value added tax and any discounts agreed) for the provision of goods and services.

License revenue is recognised upon the issuance of a license to use the software when there are no significant vendor obligations remaining and that sale terms on said license are no more than 60 days in advance. In circumstances where a considerable vendor obligation exists, turnover is accounted for using contract accounting principles.

Where existing customers re-license software, the renewal license turnover is recognised upon customer acceptance of the new license terms when there are no significant vendor obligations remaining. Any subsequent maintenance and support contract is priced on a fair value basis.

Maintenance and support contracts are invoiced in advance with turnover recognised rateably over the year of the contract.

For certain managed services, set up fees are recognised at the start of the contract where they are charged to the customer, payable, non-returnable and can be shown to operate independently of further charges for goods and services.

Service revenue is provided on a 'time and expense' basis and is recognised as the service is performed.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	over the period of the lease
Furniture, fittings and equipment	20-33% per annum

Integrity Software Systems Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Integrity Software Systems Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and a defined contribution pension scheme.

Holiday pay is recognised as an expense in the period of employment. Staff may not carry over substantial holiday allowances from year to year and it is estimated that there is an even distribution of holiday accrued and taken.

The defined pension fund is administered by a third party and contributions are recognised as an expense and are paid as due.

3 Revenue

The analysis of the company's turnover for the year by market is as follows:

	2019 £	2018 £
UK	<u>4,314,770</u>	<u>3,876,309</u>

4 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2019 £	2018 £
Gain (loss) on disposal of property, plant and equipment	<u>-</u>	<u>50</u>

5 Operating profit

Arrived at after charging/(crediting)

	2019 £	2018 £
Depreciation expense	22,906	19,023
Foreign exchange losses	177	579
Profit on disposal of property, plant and equipment	<u>-</u>	<u>(50)</u>

6 Other interest receivable and similar income

	2019 £	2018 £
Interest income on bank deposits	<u>389</u>	<u>-</u>

Integrity Software Systems Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

7 Interest payable and similar expenses

	2019 £	2018 £
Interest on bank overdrafts and borrowings	<u>2,045</u>	<u>-</u>

8 Staff costs

The aggregate payroll costs (including director's remuneration) were as follows:

	2019 £	2018 £
Wages and salaries	1,895,969	1,608,125
Social security costs	189,396	158,843
Pension costs, defined contribution scheme	<u>40,165</u>	<u>28,783</u>
	<u>2,125,530</u>	<u>1,795,751</u>

The average number of persons employed by the company (including the director) during the year, analysed by category was as follows:

	2019 No.	2018 No.
Programming and engineering	26	27
Administration and management	2	3
Sales and marketing	<u>7</u>	<u>6</u>
	<u>35</u>	<u>36</u>

9 Taxation

Tax charged/(credited) in the income statement

	2019 £	2018 £
Current taxation		
UK corporation tax	285,229	277,376
UK corporation tax adjustment to prior periods	<u>39</u>	<u>-</u>
	<u>285,268</u>	<u>277,376</u>

Deferred tax

Deferred tax assets and liabilities

	Asset £
2019	
Provision for timing differences	<u>25,960</u>

Integrity Software Systems Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

2018	Asset £
Provision for timing differences	<u>25,960</u>

10 Tangible assets

	Leasehold improvements £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 August 2018	62,862	400,714	463,576
Additions	<u>2,665</u>	<u>5,905</u>	<u>8,570</u>
At 31 July 2019	<u>65,527</u>	<u>406,619</u>	<u>472,146</u>
Depreciation			
At 1 August 2018	56,599	363,520	420,119
Charge for the year	<u>4,452</u>	<u>18,454</u>	<u>22,906</u>
At 31 July 2019	<u>61,051</u>	<u>381,974</u>	<u>443,025</u>
Carrying amount			
At 31 July 2019	<u>4,476</u>	<u>24,645</u>	<u>29,121</u>
At 31 July 2018	<u>6,263</u>	<u>37,194</u>	<u>43,457</u>

Included within the net book value of land and buildings above is £4,476 (2018 - £6,263) in respect of short leasehold land and buildings.

11 Investments in subsidiaries, joint ventures and associates

	2019 £	2018 £
Investments in subsidiaries	<u>707,529</u>	<u>707,529</u>
Subsidiaries		£
Cost or valuation		
At 1 August 2018		<u>707,529</u>
Provision		
Carrying amount		
At 31 July 2019		<u>707,529</u>
At 31 July 2018		<u>707,529</u>

Integrity Software Systems Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2019	2018
Subsidiary undertakings				
Estimate Software Limited	Breakspear Park, Breakspear Way, Hemel Hempstead, HP2 4TZ England	Ordinary	100%	100%
Mardak Limited	Two Snowhill, 11th Floor, Birmingham, West Midlands, B4 6WR England	Ordinary	100%	100%

The principal activity of Estimate Software Limited is to produce, deliver and provide IT services in the estimating discipline within the construction industry. On 1 September 2017 the company acquired the Estimate Software Limited business and all of its assets for the sum of £707,529.

The principal activity of Mardak Limited is dormant. Shares in Mardak Limited, a dormant subsidiary, are held at £nil NBV (2018 - £nil)

12 Debtors

	Note	2019 £	2018 £
Trade debtors		334,843	275,288
Amounts owed by related parties	18	5,393,732	3,857,578
Other debtors		5,995	6,551
Prepayments		44,646	50,084
Deferred tax assets	9	25,960	25,960
Total current trade and other debtors		<u>5,805,176</u>	<u>4,215,461</u>

13 Cash and cash equivalents

	2019 £	2018 £
Cash at bank	<u>153,524</u>	<u>191,416</u>

Integrity Software Systems Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

14 Creditors

	Note	2019 £	2018 £
Due within one year			
Trade creditors		30,121	46,062
Social security and other taxes		153,707	166,172
Other payables		396	98,073
Accruals and deferred income		1,941,479	1,684,376
Income tax liability	9	<u>285,229</u>	<u>95,221</u>
		<u>2,410,932</u>	<u>2,089,904</u>

15 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £40,165 (2018 - £28,783).

16 Share capital

Allotted, called up and fully paid shares

	No.	2019 £	No.	2018 £
Ordinary of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

17 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2019 £	2018 £
Not later than one year	20,570	22,440
Later than one year and not later than five years	<u>-</u>	<u>20,570</u>
	<u>20,570</u>	<u>43,010</u>

Integrity Software Systems Limited

Notes to the Financial Statements for the Year Ended 31 July 2019

18 Related party transactions

Summary of transactions with entities with joint control or significant interest

The company has taken advantage of the exemption granted to wholly owned subsidiaries not to disclose transactions with group undertakings under the provisions of FRS102 para 33.1A.

Amounts owed by group undertakings are unsecured, interest free and are payable on demand.

At the year end there was a fixed and floating charge over all current and future assets of the company in favour of Wells Fargo Bank.

19 Parent and ultimate parent undertaking

The director regards the immediate controlling party to be JDM Technology Group Limited, a company incorporated in England and Wales. JDM Technology Group Limited produces consolidated financial statements for itself and all its subsidiaries, representing the smallest group for which financial statements are produced and are publicly available, which include the company. Copies of the group financial statements of JDM Technology Group Limited can be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

JDM Technology Group Inc., a company incorporated in Canada, is the ultimate parent undertaking, and J D McFarlane, by virtue of his interest in JDM Technology Group Inc., is considered to be the ultimate controlling party.

The company's immediate parent is JDM Technology Group Limited, incorporated in England and Wales.

The ultimate parent is JDM Technology Group Inc. , incorporated in Canada.

The ultimate controlling party is J D McFarlane.