

Registration number: 03410598

Integrity Software Systems Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 July 2022

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



Integrity Software Systems Limited

Contents

Company Information	1
Strategic Report	2 to 4
Director's Report	5 to 6
Accountants' Report	7
Profit and Loss Account	8
Statement of Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Unaudited Financial Statements	12 to 21

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 Chartered Accountants Bolney Place Cowfold Road Bolney Haywards Heath West Sussex RH17 5QT

Integrity Software Systems Limited

Strategic Report for the Year Ended 31 July 2022

The director presents his strategic report for the year ended 31 July 2022.

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 increased by 14.2% to £4,820,451 (2021: £4,219,418). This was primarily due to an increase in the need for remote access tools notably around payments and invoice receipt and recording; many customers took the opportunity to revisit implementation plans and either restart or invest in new projects to upgrade and improve software, this also saw an increase in professional services - with limited travel expenditure to service this delivery mechanism margins on consultancy continue to be significantly better than historical performance.

In addition to good sales activity a number of sizable contracts were won in the year where revenues have been held in part or in full pending delivery milestones. Whilst these deliverables are pending delivery they are held on the balance sheet at the year end and provide us with a solid order to book to start 2023.

In the previous year we accounted for accrued holidays as the level of untaken leave was significant, with the impediment of Covid and limited opportunities for travel. Unfortunately, we have not yet returned to the situation where holidays can be readily taken and a backlog of holiday leave continues, as this returns we can expect some impact on utility levels and a key focus must be to ensure the well-being and required down-time of our staff, with the need to maintain standards and have resources available for customers.

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 fell by £569,623, representing 28.5% to £1,431,206, however last year included dividend income of £500,000.

Integrity Software Systems Limited

Strategic Report for the Year Ended 31 July 2022

Cash balances as at 31 July 2022 were £116,976 (2021: £591,357). 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.

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 Norwegian Krone, 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.

Integrity Software Systems Limited

Strategic Report for the Year Ended 31 July 2022

Future developments

As the year ends the UK economy is facing inflationary pressures, an uncertain labor market and further uncertainty about Covid and how society and the economy in general will recover. Further afield supply issues in the economy will produce further risk and uncertainty and we are seeing price inflation and supply issues already impacting the Construction industry.

The group and its trading businesses face this situation in what is an enviable position. A substantial proportion of revenues are generated by recurring licence income. Whilst there will inevitably be some business failures or reorganisations the wide breadth and number of customers in our base should allow us to maintain revenues overall. Furthermore, the issue of lockdown and the need for remote learning does not look to be abating and the concept of hybrid working means that many of our customers can still see value in our products, not previously recognised. Remote access, OCR and document management requirements all provide opportunities for further sales and expansion of our traditional product footprint.

The business continues to exercise tight cost control. For these reasons the business is well placed to cope with what are difficult times.

The director remains optimistic about the long-term opportunities in the UK and Ireland, their 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;

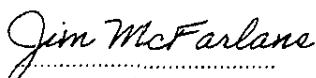
Maintaining and strengthening customer relationships;

Investment in new technology and core areas of the business. The overall holding Group continue to buy and build and with new acquisitions come new customer relationships, innovative new product and overall synergies to develop these for the subsidiaries. Recent acquisitions offer opportunities to progress the delivery of BIM solutions, Risk management and Project scheduling.

Also, we are investing in new product development and now hold one patent and are progressing a second to support our development of Group wide solutions in the UK, US and Australia.

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

Approved and authorised by the director on 17/02/2023


.....
Mr J D McFarlane
Director

Integrity Software Systems Limited

Director's Report for the Year Ended 31 July 2022

The director presents his report and the financial statements for the year ended 31 July 2022.

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 £1,431,206 (2021: £2,000,829).

The director does not propose a dividend for the year (2021: £5,000,000).

Future developments

The future developments of the business are discussed in the Strategic Report on pages 3 and 4.

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 £417,219 (2021: £411,963).

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 of £296 (2021: £2,053). The company made no political donations during the year (2021: nil).

Post balance sheet events

There are no events after the Balance Sheet date which have required adjustment.

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

Integrity Software Systems Limited

Director's Report for the Year Ended 31 July 2022

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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.

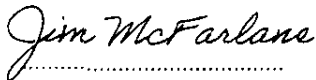
In the case of the director in office at the date the Director's Report is approved:

- 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 and authorised by the director on 17/02/2023



.....
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 2022**

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 2022 as set out on pages 8 to 21 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/regulation>.

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

Blackman Terry LLP
Chartered Accountants
Bolney Place
Cowfold Road
Bolney
Haywards Heath
West Sussex
RH17 5QT
Date: 17/02/2023

Integrity Software Systems Limited

Profit and Loss Account for the Year Ended 31 July 2022

	Note	2022 £	2021 £
Turnover	3	4,820,451	4,219,418
Cost of sales		<u>(1,233,497)</u>	<u>(925,868)</u>
Gross profit		3,586,954	3,293,550
Administrative expenses		(2,154,222)	(1,812,759)
Other operating income	4	<u>-</u>	<u>20,038</u>
Operating profit	5	<u>1,432,732</u>	<u>1,500,829</u>
Income from shares in group undertakings		-	500,000
Other interest receivable and similar income	7	2	-
Interest payable and similar expenses	8	<u>(1,528)</u>	<u>-</u>
		<u>(1,526)</u>	<u>500,000</u>
Profit before tax		1,431,206	2,000,829
Tax on profit	10	<u>(245,026)</u>	<u>(247,711)</u>
Profit for the financial year		<u>1,186,180</u>	<u>1,753,118</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.

Integrity Software Systems Limited

Statement of Comprehensive Income for the Year Ended 31 July 2022

	2022	2021
	£	£
Profit for the year	<u>1,186,180</u>	<u>1,753,118</u>
Total comprehensive income for the year	<u><u>1,186,180</u></u>	<u><u>1,753,118</u></u>

The notes on pages 12 to 21 form an integral part of these financial statements.

Integrity Software Systems Limited

(Registration number: 03410598)
Balance Sheet as at 31 July 2022

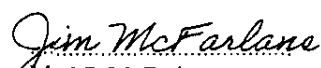
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	17,078	22,282
Investments	12	<u>707,529</u>	<u>707,529</u>
		<u>724,607</u>	<u>729,811</u>
Current assets			
Debtors	13	5,476,198	3,352,934
Cash at bank and in hand		<u>116,976</u>	<u>591,357</u>
		5,593,174	3,944,291
Creditors: Amounts falling due within one year	15	<u>(3,064,069)</u>	<u>(2,606,570)</u>
Net current assets		<u>2,529,105</u>	<u>1,337,721</u>
Net assets		<u>3,253,712</u>	<u>2,067,532</u>
Capital and reserves			
Called up share capital		1	1
Retained earnings		<u>3,253,711</u>	<u>2,067,531</u>
Shareholders' funds		<u>3,253,712</u>	<u>2,067,532</u>

For the financial year ending 31 July 2022 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 17/02/2023


Mr J D McFarlane
Director

Integrity Software Systems Limited

Statement of Changes in Equity for the Year Ended 31 July 2022

	Share capital	Retained earnings	Total
	£	£	£
At 1 August 2021	1	2,067,531	2,067,532
Profit for the year	-	1,186,180	1,186,180
At 31 July 2022	1	3,253,711	3,253,712
	Share capital	Retained earnings	Total
	£	£	£
At 1 August 2020	1	5,314,413	5,314,414
Profit for the year	-	1,753,118	1,753,118
Dividends	-	(5,000,000)	(5,000,000)
At 31 July 2021	1	2,067,531	2,067,532

The notes on pages 12 to 21 form an integral part of these financial statements.

Integrity Software Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

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

These financial statements were authorised for issue by the director on 17/02/2023

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 United Kingdom and Republic of Ireland and the Companies Act 2006'.

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 exemption;

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 Unaudited Financial Statements for the Year Ended 31 July 2022

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.

Government grants

Government grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to the grant and the grant will be received. (FRS102.24.3A)

Government grants received under the Coronavirus Job Retention Scheme (CJRS) have been recognised using the accruals model, and are included within Other Operating Income on the Profit and Loss Account.

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 rate on the date when the fair value is re-measured.

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 and deferred 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.

Integrity Software Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet 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

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.

Integrity Software Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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 Turnover

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

Integrity Software Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

	2022 £	2021 £
UK	<u>4,820,451</u>	<u>4,219,418</u>

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2022 £	2021 £
Government grants	<u>-</u>	<u>20,038</u>

5 Operating profit

Arrived at after charging/(crediting)

	2022 £	2021 £
Depreciation expense	18,540	19,496
Foreign exchange losses	1,076	173
(Profit)/loss on disposal of property, plant and equipment	<u>(320)</u>	<u>817</u>

6 Government grants

Coronavirus Job Retention Scheme grants

The amount of grants recognised in the financial statements was £Nil (2021 - £20,038).

No unfulfilled conditions or other contingencies attaching to the grants have been recognised in income.

The company has not benefitted from any other form of Government assistance during the period.

7 Other interest receivable and similar income

	2022 £	2021 £
Interest income on bank deposits	<u>2</u>	<u>-</u>

8 Interest payable and similar expenses

	2022 £	2021 £
Interest on bank overdrafts and borrowings	<u>1,528</u>	<u>-</u>

Integrity Software Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

9 Staff costs

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

	2022	2021
	£	£
Wages and salaries	2,172,620	1,991,911
Social security costs	226,973	183,814
Private health insurance	19,095	21,751
Pension costs, defined contribution scheme	60,274	58,874
Other employee expense	3,816	-
	<u>2,482,778</u>	<u>2,256,350</u>

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

	2022	2021
	No.	No.
Programming and engineering	33	29
Administration and management	2	2
Sales and marketing	6	6
	<u>41</u>	<u>37</u>

10 Taxation

Tax charged/(credited) in the income statement

	2022	2021
	£	£
Current taxation		
UK corporation tax	243,682	248,203
Deferred taxation		
Arising from write-down or reversal of write-down of deferred tax asset	1,344	(492)
Tax expense in the income statement	<u>245,026</u>	<u>247,711</u>

Integrity Software Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

Deferred tax

Deferred tax assets and liabilities

	Asset £	Liability £
2021	-	-

11 Tangible assets

	Leasehold improvements £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 August 2021	5,335	171,034	176,369
Additions	-	13,337	13,337
At 31 July 2022	5,335	184,371	189,706
Depreciation			
At 1 August 2021	5,335	148,752	154,087
Charge for the year	-	18,541	18,541
At 31 July 2022	5,335	167,293	172,628
Carrying amount			
At 31 July 2022	-	17,078	17,078
At 31 July 2021	-	22,282	22,282

Included within the net book value of land and buildings above is £Nil (2021 - £Nil) in respect of short leasehold land and buildings.

Integrity Software Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

12 Investments

	2022 £	2021 £
Investments in subsidiaries	707,529	707,529
Subsidiaries		£
Cost or valuation		
At 1 August 2021		707,529
Provision		
Carrying amount		
At 31 July 2022		707,529
At 31 July 2021		707,529

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	
			2022	2021
Subsidiary undertakings				
Estimate Software Limited	Breakspear Park, Breakspear Way, Hemel Hempstead, HP2 4TZ England	Ordinary	100%	100%

Subsidiary undertakings

Estimate Software Limited

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.

13 Debtors

Integrity Software Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

Current	Note	2022 £	2021 £
Trade debtors		413,636	490,928
Amounts owed by related parties	19	5,015,747	2,822,369
Other debtors		500	1,000
Prepayments		39,289	30,268
Deferred tax assets	10	7,026	8,369
		<u>5,476,198</u>	<u>3,352,934</u>

14 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	<u>116,976</u>	<u>591,357</u>

15 Creditors

	Note	2022 £	2021 £
Due within one year			
trade creditors		15,200	24,094
Social security and other taxes		171,890	305,453
Other payables		11,177	10,182
Accruals and deferred income		2,732,022	2,190,638
Income tax liability	10	133,780	76,203
		<u>3,064,069</u>	<u>2,606,570</u>

16 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 £60,274 (2021 - £58,874).

Integrity Software Systems Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

17 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

18 Dividends

Interim dividends paid

	2022	2021
	£	£
Interim dividend of £Nil (2021 - £5,000,000.00) per each Ordinary	<u>-</u>	<u>5,000,000</u>

19 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.

20 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.