

CUSTOMER SYSTEMS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 JANUARY 2023

THURSDAY



AC68VWQI

A22

22/06/2023

#32

COMPANIES HOUSE

Company no 03509265

CUSTOMER SYSTEMS LIMITED

CONTENTS PAGE

CONTENTS	PAGE
Group strategic report	2 - 4
Report of the directors	5 - 6
Principal accounting policies	7 - 9
Group statement of comprehensive income	10
Group statement of financial position	11
Company statement of financial position	12
Group statement of cash flows	13
Group statement of changes in equity	14
Company statement of changes in equity	15
Notes to the financial statements	16-27

CUSTOMER SYSTEMS LIMITED

GROUP STRATEGIC REPORT

For the year ended 31 January 2023

CHAIRMAN'S REVIEW (Steve Austen)

About the Company and its Subsidiaries

Customer Systems Limited is the parent company of the Customer Systems group and its subsidiaries are OnTheMove Software Limited and Customer Systems UK Limited. Customer Systems International, Inc. is an indirect subsidiary, incorporated in the USA, and wholly owned by OnTheMove Software Limited. This US subsidiary does business under the name "OnTheMove Software".

The Customer Systems group provides software product solutions and highly specialised implementation consulting alongside suppliers of leading application software packages.

The group's historical business, which was primarily one of providing implementation consulting for other people's software products, has been largely eclipsed (and deliberately so) by its newer business connected with its own software products.

The sale of the group's licensed software and its associated services is conducted via the subsidiary OnTheMove Software Ltd and the employees of this subsidiary together own 16.6% of its shares. Customer Systems Ltd is now simply a holding company, and owns the remaining 83.4%.

A small amount of business which is more typical of the group's older consulting-orientated business model was, for the past few years, transacted through Customer Systems UK Ltd, which was effectively the other arm of the group. However we are now channelling all such business through OnTheMove Software Ltd, and so Customer Systems UK Ltd has no remaining business and no remaining purpose. We have embarked on a series of formalities which will ultimately lead to it being removed as a company through solvent liquidation.

The group continues to invest in research and development of its main product, OnTheMove, which brings mobile device access and a superior modern user experience to corporate transaction and database systems. Early sales of OnTheMove were made into environments where the main enterprise system involved was the Siebel CRM package from Oracle Corporation, which was the foundation of the group's original consulting business. However, the group has now successfully widened out the nature of its business and reduced, to a significant degree, its dependence on this specific market. Many of our newer customers use OnTheMove in conjunction with Veeva CTMS (Clinical Trial Management System).

Performance

Group revenues for the period were £1.251m, representing a 14.8% increase on the previous year's revenue of £1.090m.

Group pre-tax profit for the period was £210,749 compared to £115,716 for the previous year, an increase of 82.13%. After tax group profit for the period was £230,009, a 57.74% rise on the previous year's figure of £145,815. After deducting profit attributable to minority interests, the after tax profit attributable to shareholders of the holding company was 57.38% higher at £192,105 (previous year: £122,063). Earnings per share attributable to shareholders of the holding company were 1.66 pence (previous year: 1.06 pence).

The minority or non-controlling interests referred to above result from officers and employees of OnTheMove Software Ltd being allowed to purchase shares in that subsidiary.

Our profits after tax remain higher than our profits before tax due to R&D tax credits. However, it is worth my mentioning that this situation will likely change considerably as a result of the Treasury's desire to make R&D tax credits less generous.

CUSTOMER SYSTEMS LIMITED

GROUP STRATEGIC REPORT

For the year ended 31 January 2023

The group balance sheet remains very strong with a cash balance at the end of the period of £0.60m. Net assets at the end of the period were £0.62m and there was a surplus of current assets over current liabilities which amounted to £0.60m. These figures apply to the group as a whole including minority interests.

Dividends

A group dividend of 1.5 pence per share net was paid in the period amounting to a total of £173,117.26. By comparison, in the previous year, a group dividend of 0.5 pence per share net was paid at a total cost of £57,705.77.

MANAGING DIRECTOR'S REVIEW OF SUBSIDIARY ACTIVITIES (Duncan Scattergood)

Our OnTheMove business is contained within a simple corporate group comprising OnTheMove Software Limited and its US subsidiary. OnTheMove revenues were 15.11% higher at £1.249m (previous year: £1.085m). Profit before tax for OnTheMove was 85.59% higher at £208,780 (previous year: £112,495) and profit after tax was 59.58% higher at £228,339 (previous year: £143,084). The profit figures were significantly above our internal business plan at the start of the year which was very pleasing. Our customer base continues to be geographically diverse and split across a range of sectors.

At year end, the net asset value of OnTheMove increased to £509,211 (previous year: £350,872). OnTheMove paid a dividend of £70,000 during the year (previous year: £70,000), and has declared a dividend, shortly after the year end, of £120,000 (the latter of which is not shown in the accounts which follow). This still means that there has been a further healthy increase in the net asset value. We believe that, at its current scale and mode of operation, and assuming that investment continues at its current rate, OnTheMove can now broadly meet its own needs for capital.

A key feature of the year was that some of our most long standing and largest customers upgraded to the latest version of the product, demonstrating their commitment to our technology and the long term value that we deliver. Equally, the recurring revenue from these customers' Software Rental and Support Fees create a real stability in our business.

In the Chairman's Review, Steve commented on our success in selling OnTheMove in conjunction with Veeva CTMS. This differs from our traditional Siebel business in that our OnTheMove for Veeva variant includes specific pre-built business functionality and is delivered via multi-tenant Software as a Service. In addition to our initial successes, we have some major enterprise prospective customers. If we are successful in closing them, then it will be transformative for the scale of this revenue stream.

Last year, I reported that we were investing in our products to simplify the implementation process with the aim of reducing operating costs, supporting sales and, in the mid-term, target new markets. The reduction in operating costs is largely achieved and this year we will be starting to focus on the potential new and exciting markets.

This combination of recurring revenues from our established business and new markets which we can attack means that we face the future with confidence.

CUSTOMER SYSTEMS LIMITED

GROUP STRATEGIC REPORT

For the year ended 31 January 2023

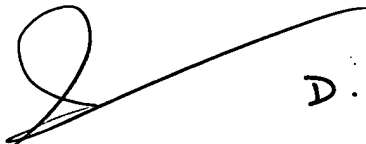
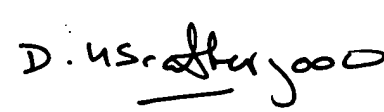
PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks associated with the business of the group can generally be summarised as follows:

1. The risk of not selling sufficient business at a sufficient price
2. The risk of costs rising so as to exceed the revenues
3. The risk of not recruiting sufficient numbers of the right capability of staff
4. The risk of failing to deliver what we have promised to our customers
5. The risk of losing key personnel
7. Risks associated with legal actions
8. Risks associated with the acts of governments and their agents

At this stage in the development of the group's business, the most important factor in mitigating our risks is to achieve new orders for our software product, OnTheMove.

ON BEHALF OF THE BOARD

Mr S N Austen
Mr DK Scattergood
Directors
07 March 2023

CUSTOMER SYSTEMS LIMITED

REPORT OF THE DIRECTORS

Company registration number: 3509265

The directors present their report together with the unaudited financial statements for the year ended 31 January 2023.

PRINCIPAL ACTIVITIES

The principal activity of the group is to provide software product solutions and associated implementation consulting to extend the functionality of leading application software packages. The group's main focus is in the areas of customer relationship management (CRM) systems and clinical trial systems.

DIRECTORS

The present membership of the board is set out below.

The interests of the directors and their families in the shares of the company as at 31 January 2023 and 1 February 2022 were as follows:

	31 January 2023	1 February 2022
	0.001p ordinary shares	0.001p ordinary shares
Mr S N Austen	11,137,961	11,137,961
Mr D K Scattergood	10,000	10,000
Mr A J Prowse	-	-

MATTERS COVERED IN THE STRATEGIC REPORT

The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 requires a strategic report to be prepared. Where mandatory disclosures in the directors' report are considered by the directors to be of strategic importance, these have been included in the strategic report rather than the directors' report.

CUSTOMER SYSTEMS LIMITED

REPORT OF THE DIRECTORS

Company registration number: 3509265

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are 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 group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE BOARD



Mr S N Austen
Director
07 March 2023

CUSTOMER SYSTEMS LIMITED

PRINCIPAL ACCOUNTING POLICIES

GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Stylus House, London Road, Bracknell, RG12 2UT.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Financial Reporting Standard 102. There are no material departures from that standard. The presentation currency is pounds sterling.

The company's principal accounting policies have remained unchanged from the previous year and are set out below. The directors have reviewed the accounting policies adopted by the group and consider them to be the most appropriate.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date, and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

BASIS OF CONSOLIDATION

The group financial statements consolidate the financial statements of the company and of its subsidiary undertakings (see note 5). The financial statements of each undertaking in the group have been prepared to 31 January 2023.

REVENUE

Turnover is the total amount receivable by the company for services provided, excluding VAT.

Revenue derived from support contracts is credited to the profit and loss account over the period to which the contract relates.

Revenue recognition relating to the sale of the group's own software products occurs at the point of delivery in the case of production software sold in such a manner that the obligation to supply is discharged simply by this delivery. However, where there is an inseparable obligation to modify this software for the client's specific needs, or to deliver additional services without which the standard product would be of no value to the client, then revenue recognition is phased in stages across the delivery process.

Revenue in relation to the rental of software products is credited to the profit and loss account at the start of the contractual rental period following software delivery, provided that receipt of associated fees is considered probable. Revenue and costs relating to any unbilled completed consultancy days undertaken on a time and materials basis are recognised in the profit and loss account in the period in which they occur. Such unbilled revenue amounts are shown as accrued income on the balance sheet.

Revenue derived from Software as a Service (SaaS) subscriptions is credited to the profit and loss account over the period to which the subscription relates.

CUSTOMER SYSTEMS LIMITED

PRINCIPAL ACCOUNTING POLICIES

REVENUE (CONTINUED)

Revenue related to fixed price contracts, which are still in progress, is normally calculated by multiplying the percentage completion of the contract by the contract value, as long as the progress and the likely outcome can be assessed with a reasonable degree of certainty and accuracy. Percentage completion, for this purpose, is calculated as the value of effort expended to date divided by the total value of effort anticipated to be required from start to completion. Value of effort, for this purpose, is calculated using notional daily billing rates which reflect the relative values of the different seniorities of the consultants used and of the consultants anticipated to be needed for future work. This revenue calculation is applied to the contract as a whole, except where different parts of the contract are more accurately seen as operating independently of one another, in which case the calculation is applied separately to each part of the contract.

DEPRECIATION

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected economic useful lives.

The rates generally applicable are:

Plant, fixtures and fittings	The greater of 20% or the rate determined by fully depreciating over the remaining term of the associated building lease
Computer equipment	33% - 50%

FIXED ASSET INVESTMENTS

Fixed asset investments are included at cost.

DEFERRED TAXATION

Deferred tax liabilities are recognised on all timing differences where the transactions or events that give the group an obligation to pay more tax in the future have occurred by the balance sheet date. Deferred tax assets are not normally recognised because it is not normally possible to predict with a high level of probability when utilisation will become possible, and in some cases, it is not possible to predict with a high level of probability that they will be able to be utilised at all. However, provision is made for deferred tax assets where the company has an option to utilise them immediately and the company has decided not to exercise this option at this time but the decision not to utilise them immediately does not remove the right to use them in the future at a time that the company elects. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

FOREIGN CURRENCY TRANSACTIONS

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

CUSTOMER SYSTEMS LIMITED

PRINCIPAL ACCOUNTING POLICIES

RESEARCH AND DEVELOPMENT

Research and development expenditure is charged to profits in the period in which it is incurred.

CONTRIBUTIONS TO PENSION SCHEMES

Defined contribution schemes

The pension costs charged against profits represent the amount of the contributions payable to the individual employees' schemes in respect of the accounting period.

LEASED ASSETS

Payments made under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

FINANCIAL INSTRUMENTS

Financial instruments are recognised in the group's balance sheet when it becomes a party to the contractual provisions of the financial instrument.

Trade debtors

Trade debtors are non interest bearing and are stated at original invoiced amount less an appropriate allowance for irrecoverable amounts. Such allowances are based on known customer exposures.

Cash

Cash comprises cash at bank and in hand.

Trade creditors

Trade creditors are non interest bearing and are stated at the original invoiced amount.

Income from financial instruments

Interest is accrued and credited to the profit and loss account in the period to which it relates.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

CUSTOMER SYSTEMS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 January 2023

	Note	2023 £	2022 £
Turnover	1	1,250,779	1,089,630
Administrative expenses		(1,040,685)	(973,940)
Profit on ordinary activities before interest		210,094	115,690
Interest receivable		655	26
Profit on ordinary activities before taxation	1	210,749	115,716
Tax credit on profit ordinary activities	3	19,260	30,099
Profit and total comprehensive income for the financial year		230,009	145,815
Profit for the year attributable to:			
Non-controlling interests		37,904	23,752
Owners of the parent company		192,105	122,063
Profit and total comprehensive income for the financial year		230,009	145,815
Earnings per share – basic (pence)	4	1.66	1.06

There were no recognised gains or losses other than the profit for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

CUSTOMER SYSTEMS LIMITED**GROUP STATEMENT OF FINANCIAL POSITION**

At 31 January 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	6	19,844	28,348
Current assets			
Debtors: amounts falling due within one year	7	251,123	214,756
Cash at bank and in hand		604,354	543,990
		855,477	758,746
Creditors: amounts falling due within one year	8	(251,375)	(206,804)
Net current assets		604,102	551,942
Total assets less current liabilities		623,946	580,290
Creditors: amounts falling due after more than one year	9	(4,875)	(6,491)
Net assets		619,071	573,799
Capital and reserves			
Called up share capital	12	115	115
Profit and loss account	13	534,427	515,439
Non-controlling interests	13	84,529	58,245
Shareholders' funds		619,071	573,799

For the year ending 31 January 2023, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. The financial statements were approved by the board of directors and authorised for issue on 07 March 2023.



Mr S N Austen
Director

The accompanying accounting policies and notes form an integral part of these financial statements

CUSTOMER SYSTEMS LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION**

At 31 January 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	6	-	-
Investments	5	42,633	42,633
		42,633	42,633
Current assets			
Debtors: amounts falling due within one year	7	-	-
Cash at bank and in hand		255,518	268,685
		255,518	268,685
Creditors: amounts falling due within one year	8	(145,659)	(53,247)
Net current assets		109,859	215,438
Total assets less current liabilities		152,492	258,071
Net assets		152,492	258,071
Capital and reserves			
Called up share capital	12	115	115
Profit and loss account	13	152,377	257,956
Shareholders' funds		152,492	258,071

For the year ending 31 January 2023, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. The financial statements were approved by the board of directors and authorised for issue on 07 March 2023.



Mr S N Austen
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

CUSTOMER SYSTEMS LIMITED**GROUP STATEMENT OF CASH FLOWS**

For the year ended 31 January 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	230,009	145,815
Adjustments for		
Interest received	(655)	(26)
Taxation	(19,260)	(30,099)
(Increase) / decrease in trade and other debtors	(58,355)	76,833
Depreciation of tangible assets	8,504	8,504
Increase in trade and other creditors	43,938	33,225
Cash from operations	204,181	234,252
Income taxes refunded / (paid)	40,265	(6,177)
Net cash generated from operating activities	244,446	228,075
Cash flows from investing activities		
Interest received	655	26
Net cash from investing activities	655	26
Cash flows from financing activities		
Dividends paid	(184,737)	(69,326)
Net cash used in financing activities	(184,737)	(69,326)
Net increase in cash and cash equivalents	60,364	158,775
Cash and cash equivalents at the beginning of year	543,990	385,215
Cash and cash equivalents at end of year	604,354	543,990

The accompanying accounting policies and notes form an integral part of these financial statements.

CUSTOMER SYSTEMS LIMITED**GROUP STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 January 2023

	Called up share capital £	Profit and loss account £	Non-controlling interests £	Total £
At 1 February 2021	115	451,082	46,113	497,310
Profit and total comprehensive income for the year	-	122,063	23,752	145,815
Dividends paid	-	(57,706)	(11,620)	(69,326)
At 1 February 2022	115	515,439	58,245	573,799
Profit and total comprehensive income for the year	-	192,105	37,904	230,009
Dividends paid	-	(173,117)	(11,620)	(184,737)
At 31 January 2023	115	534,427	84,529	619,071

The accompanying accounting policies and notes form an integral part of these financial statements.

CUSTOMER SYSTEMS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 January 2023

	Called up share capital £	Profit and loss account £	Total £
At 1 February 2021	115	258,327	258,442
Profit and total comprehensive income for the year	-	57,335	57,335
Dividends paid	-	(57,706)	(57,706)
At 1 February 2022	115	257,956	258,071
Profit and total comprehensive income for the year	-	67,538	67,538
Dividends paid	-	(173,117)	(173,117)
At 31 January 2023	115	152,377	152,492

The accompanying accounting policies and notes form an integral part of these financial statements.

CUSTOMER SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2023

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit before taxation are attributable to one activity.

A geographical analysis of turnover is given below:

	2023 £	2022 £
United Kingdom	401,278	358,070
Overseas	849,501	731,560
	1,250,779	1,089,630

An analysis of profit before tax by geographical market is given below:

	2023 £	2022 £
United Kingdom	67,613	38,026
Overseas	143,136	77,690
	210,749	115,716

An analysis of net assets at the balance sheet date by geographical market is set out below:

	2023 £	2022 £
United Kingdom	533,548	517,308
Overseas	85,523	56,491
	619,071	573,799

CUSTOMER SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2023

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (CONTINUED)

The profit on ordinary activities before taxation is stated after:

	2023 £	2022 £
Net (gain) / loss on foreign currency translation	(17,531)	2,214
Depreciation of tangible fixed assets, owned	8,504	8,504
Research and Development	275,300	302,328
Operating lease rentals	29,126	27,949

The parent company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The parent company's profit for the year was £67,538 (2022: £57,335).

2 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	789,316	725,697
Social security costs	101,499	93,691
Other pension costs	18,656	22,473
	909,471	841,861

The average number of employees of the group during the year was 8 (2022: 9).

Remuneration in respect of directors (being the key management personnel) was as follows:

	2023 £	2022 £
Emoluments	345,915	286,369
Pension contributions	10,602	10,068
	356,517	296,437

Emoluments in respect of the highest paid director were £208,387 (2022: £163,071). Pension contributions relating to the highest paid director were £nil (2022: £nil). During the year one director (2022: one) participated in money purchase pension schemes.

CUSTOMER SYSTEMS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 January 2023

3 TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of tax charge for the year:	2023 £	2022 £
Current tax:		
UK corporation tax on profits for the year	-	-
Overseas tax	1,690	1,275
Total current tax (see note (b) below)	1,690	1,275
Deferred tax:		
Adjustment in respect of previous years	-	-
Adjustment in respect effective rate of corporation tax for future years	-	1,105
Origination of timing differences relating to tax losses carried forwards	(19,334)	(30,863)
Origination of timing differences arising from excess of capital allowances over depreciation	(1,616)	(1,616)
Total deferred tax	(20,950)	(31,374)
Total tax charge for the year	(19,260)	(30,099)
(b) The factors affecting the tax charge for the year:	2023 £	2022 £
Profit before taxation	210,749	115,716
Profit before taxation multiplied by standard UK corporation tax at 19% (2022: 19%)	40,042	21,986
Effect of:		
Excess of depreciation over capital allowances	1,616	1,616
Provision for UK tax in respect of foreign subsidiary	411	600
Research and Development tax credit	(65,714)	(63,369)
Effect of unutilised tax losses	25,335	40,442
Current tax charge for the year (see (a) above)	1,690	1,275

CUSTOMER SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2023

4 EARNINGS PER SHARE

The number of shares used in the calculation is the weighted average number of shares in issue during the year.

	Profit after tax (Numerator)		Shares (Denominator)		Per share amount	
	2023 £	2022 £	2023 No.	2022 No.	2023 pence	2022 pence
BASIC EPS						
Profit attributable to ordinary shareholders	192,105	122,063	11,541,150	11,541,150	1.66	1.06

There were no options or warrants outstanding to dilute EPS.

CUSTOMER SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2023

5 FIXED ASSET INVESTMENTS

The company	Shares in subsidiaries £
At 1 February 2022	42,633
Additions	-
Disposals	-
At 31 January 2023	42,633

At 31 January 2023 the company held 20% or more of the allotted share capital of the following:

	Class of share capital held	Proportion held	Country of incorporation	Nature of business
Subsidiaries:				
Customer Systems UK Limited	Ordinary shares	100%	England	IT consultancy
On The Move Software Limited	Ordinary shares	83.40%	England	Software and IT consultancy
Customer Systems International, Inc.	Ordinary shares	83.40%	USA	Software and IT consultancy

The holding in Customer Systems International, Inc. is an indirect holding by virtue of the company's holding in On The Move Software Limited. Customer Systems International, Inc.'s correspondence address is 4023 Kennett Pike #50500, Wilmington, DE 19807, USA.

The address of the registered office for Customer Systems UK Ltd and On The Move Software Limited is Stylus House, London Road, Bracknell, RG12 2UT.

CUSTOMER SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2023

6 TANGIBLE FIXED ASSETS

The Group	Plant, furniture, fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 February 2022	65,493	12,318	77,811
Additions	-	-	-
Disposals	-	-	-
At 31 January 2023	65,493	12,318	77,811
Depreciation			
At 1 February 2022	37,145	12,318	49,463
Provided in the year	8,504	-	8,504
Eliminated on disposals	-	-	-
At 31 January 2023	45,649	12,318	57,967
Net book amount at 31 January 2023	19,844	-	19,844
Net book amount at 31 January 2022	28,348	-	28,348

The Company	Plant, furniture, fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 February 2022	22,972	12,318	35,290
Additions	-	-	-
Disposals	-	-	-
At 31 January 2023	22,972	12,318	35,290
Depreciation			
At 1 February 2022	22,972	12,318	35,290
Provided in the year	-	-	-
Eliminated on disposals	-	-	-
At 31 January 2023	22,972	12,318	35,290
Net book amount at 31 January 2023	-	-	-
Net book amount at 31 January 2022	-	-	-

CUSTOMER SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2023

7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Trade debtors	102,664	-	57,524	-
Amounts owed by group undertakings	-	-	-	-
Corporation tax receivable	-	-	2,979	-
Deferred tax	50,198	-	69,207	-
Prepayments and accrued income	98,261	-	85,046	-
	251,123	-	214,756	-

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Trade creditors	78	48	14,044	45
Amounts owed to group undertakings	-	133,200	-	39,246
Corporation tax	633	-	-	-
Social security and other taxes	29,441	12,361	29,765	13,922
Accruals and deferred income	221,223	50	162,995	34
	251,375	145,659	206,804	53,247

9 PROVISIONS FOR LIABILITIES AND CHARGES

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Deferred tax arising on timing differences relating to capital allowances	4,875	-	6,491	-
	4,875	-	6,491	-

CUSTOMER SYSTEMS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 January 2023

10 DEFERRED TAX ASSET

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Opening deferred tax asset	69,207	-	38,344	-
Deferred tax credit in the profit and loss account for the year (note 3 (a))	19,334	-	30,863	-
Deferred tax asset converted to cash	(38,343)	-	-	-
Deferred tax asset at 31 January	50,198	-	69,207	-

11 DEFERRED TAX PROVISION

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Opening deferred tax provision	6,491	-	7,002	-
Deferred tax charge in the profit and loss account for the year (note 3 (a))	(1,616)	-	(511)	-
Deferred tax provision at 31 January	4,875	-	6,491	-

12 SHARE CAPITAL

	2023 £	2022 £
Authorised 100 million 0.001p 1 ordinary shares	1,000	1,000
Allotted, called up and fully paid 11,541,150 0.001p ordinary shares (31 January 2022: 11,541,150 0.001p ordinary shares)	115	115

There were no allotments during the year.

CUSTOMER SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2023

13 RESERVES

The company's reserves are defined as follows:

Called-up share capital – represents the nominal value of shares that have been issued.

Profit and loss account – includes all current and prior period retained profits and losses attributable to the owners of the company.

Non-controlling interests – includes all current and prior period retained profits and losses attributable to the minority shareholders in subsidiary companies.

14 NON-CONTROLLING INTEREST

At 31 January 2023 On The Move Software Limited was 83.40% owned by Customer Systems Limited (2022: 83.40%). At 31 January 2023 On The Move Software Limited had consolidated net assets of £509,211 (2022: £350,873), of which £84,529 (2022: £58,245) was attributable to the non-controlling interest.

15 LEASING COMMITMENTS

The total commitments under non-cancellable operating leases are:

	Group Land and buildings 2023 £	Company Land and buildings 2023 £	Group Land and buildings 2022 £	Company Land and buildings 2022 £
Payments which fall due:				
Within one year	22,721	-	22,462	-
Between two and five years	27,256	-	6,744	-
	49,977	-	29,206	-

CUSTOMER SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2023

16 FINANCIAL INSTRUMENTS

Financial instruments by category

Financial assets:	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Financial assets measured at fair value through profit and loss	604,354	255,518	543,990	268,685
Financial assets that are debt instruments measured at amortised cost	239,936	-	201,652	-
Total financial assets	844,290	255,518	745,642	268,685

Financial liabilities:	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Financial liabilities measured at amortised cost	221,301	98	177,039	79
Total financial liabilities	221,301	98	177,039	79

Financial risk management

Financial assets measured at fair value through profit and loss comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise trade and other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

Financial risk management

The main risks arising from the group's financial instruments are interest rate risk, liquidity risk, price risk, credit risk, and foreign currency risk. The objective of the group is to manage these risks to minimise their impact on the financial results of the group.

Interest rate risk

The group holds significant bank balances. The level of interest receivable on these balances is affected by changes in interest rates.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2023

16 FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk

The group seeks to manage the way it hold its funds in order to ensure that sufficient liquidity is available to meet foreseeable needs. Cash is held in current accounts, or placed on fixed term deposit with UK banks. When the group has excessive cash it sometimes invests part of this in securities. These securities have lower liquidity than money held in current accounts but the securities involved are normally quoted on the London Stock Exchange.

Credit risk

Credit risk arises from cash held with banks, funds invested in securities and credit exposure to our customers. For banks, only banks that are considered 'too large to be allowed to fail' are accepted. When securities are purchased, only a fairly low level of risk is tolerated. Such securities are generally corporate bonds or cumulative preference shares with credit ratings at the lower end of investment grade. Credit quality of customers is assessed taking into account financial position, past experience and other factors. The amount and age of credit utilised by each of our customers is reviewed on a regular basis.

Currency risk

The group is exposed to translation and transaction foreign exchange risk by virtue of selling its services in overseas markets and by the maintenance of cash balances in US dollars. The group chooses not to actively manage this exposure. At 31 January 2023 the group held cash balances in US dollars amounting to £123,732 (31 January 2022: £111,946), carried trade debtors denominated in US dollars of £97,023 (31 January 2022: £34,246) and had trade creditors denominated in US dollars of £nil (31 January 2022: £579). All other financial assets and liabilities are denominated in sterling.

17 ULTIMATE CONTROLLING RELATED PARTY

The ultimate controlling party is Mr S N Austen by virtue of his majority shareholding.

18 RELATED PARTY TRANSACTIONS

The company has taken advantage of exemptions available under FRS 102 (section 33) not to disclose transactions undertaken with its wholly owned subsidiary undertakings.

The company supplied support services to On The Move Software Limited, an 83.40% subsidiary (2022: 83.40%). These charges totaled £1,115 (2022: £200). Additionally during the year the company was charged £84 (2022: £35) by On The Move Software Limited for tax losses transferred.

At 31 January 2023 the company had a balance due to the On The Move Software Limited group of £133,200 (2022: £32,717).

CUSTOMER SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2023

18 RELATED PARTY TRANSACTIONS (CONTINUED)

During the year dividend payments were made by the company to serving directors, Mr S N Austen received £167,069 and Mr D K Scattergood received £150 (2022: Mr S N Austen received £53,495 and Mr D K Scattergood received £50). During the year On The Move Software Limited made dividend payments to serving directors, Mr D K Scattergood received £7,000 and Mr A J Prowse received £2,800 (2022: Mr D K Scattergood received £7,000 and Mr A J Prowse received £2,800).

Customer Systems UK Limited a 100% subsidiary of Customer Systems Limited was charged £215 (2022: £490) by On The Move Software Limited for tax losses transferred. Customer Systems UK Limited received staff time and support services from On The Move Software Limited, during 2023 these charges totalled £3,106 (2022: £4,375).

The group's headquarters is owned by Mr S N Austen, a director. During the period £32,975 (2022: £35,215) was paid to Mr Austen for the rent and occupancy costs of the premises. At 31 January 2023 there was a balance due to Mr Austen of £nil (2022: £4,997).

19 STATUTORY INFORMATION

Customer Systems Limited is a private limited company incorporated in the UK and registered in England and Wales, its registered office is Stylus House, London Road, Bracknell, RG12 2UT.

Company registration number:

3509265

Registered office:

**Stylus House
London Road
Bracknell
RG12 2UT**

Directors:

**Mr SN Austen
Mr DK Scattergood
Mr AJ Prowse**

Secretary:

Mr AJ Prowse