

LSI - SIGMA SOFTWARE LIMITED
Registered number 2127446
Annual Report and Financial
Statements for the
year ended 30 June 2020

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Company information

Registered number 2127446

Directors

Stuart Mann

(Appointed:17 June 2019)

Andrew Cartledge

(Appointed:31 October 2018)

Mark Newburn

(Appointed:17 June 2019, Resigned:1 December 2019)

Registered office

Suite 2d

Swinegate Court East, Swinegate

York YO18AJ

United Kingdom

Auditors

KPMG LLP

58 Clarendon Road

Watford

WD17 1DE United Kingdom

Directors' report

The Directors present their report and the audited financial statements for the year ended 30 June 2020. The comparatives are for 15 months ending 30 June 2019.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of Companies Act 2006. Accordingly, the Company is not required to prepare a strategic report.

Principal activities

The principal activity of the company continued to be that of the development of business and domestic software. On 1 February 2020, the Company sold its business to WiseTech Global (UK) Ltd for a purchase price of £1,074,360. A loan note was issued by WiseTech Global (UK) Ltd to the Company to settle the purchase consideration. The loan note attracts an interest of 1.75% p.a.

Directors

The names and details of the Company's Directors in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Stuart Mann	(Appointed: 17 June 2019)
Andrew Cartledge	(Appointed: 31 October 2018)
Mark Newburn	(Appointed: 17 June 2019, Resigned: 1 December 2019)

Dividends

No dividends have been paid or declared since the end of the previous financial period (2019: £26,500), nor do the Directors recommend the declaration of a dividend.

Political and charitable donations

The Company made no political donations or incurred any political expenditure during the period.

Development and performance of the company

The net profit after tax of the Company for the year ended 30 June 2020 was £170,248 (2019: £321,047). On 1 February 2020, the Company sold its business to its parent entity, WiseTech Global (UK) Limited. All customer contracts, assets and liabilities of the company were transferred to WiseTech Global (UK) Limited.

Going concern

Following transfer of trade to WiseTech Global (UK) Limited, the directors do not intend to acquire a replacement trade, they have therefore not prepared the financial statements on a going concern basis.

Disclosure of information to auditor

The Directors at the time this Directors' report was approved have confirmed that:

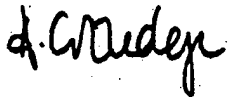
- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and
- they have taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information

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

Auditor

Pursuant to Section 487 of the Companies Act 2006, KPMG LLP will be deemed to be reappointed and KPMG LLP will therefore continue to be in office.

This report was approved by the Board of Directors on 9 November 2021 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'A. Cartledge', written in a cursive style.

Andrew Cartledge
Director

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 of the profit or loss of the Company 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 accounting 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of LSI - Sigma Software Limited

Opinion

We have audited the financial statements of LSI - SIGMA SOFTWARE LIMITED ("the company") for the year ended 30 June 2020, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1. These financial statements have not been prepared on the going concern basis for the reason set out in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its profit for the year then ended ;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter - non-going concern basis of preparation

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

Independent auditor's report to the members of LSI - Sigma Software Limited (continued)

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Muhammad Usman (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
58 Clarendon Road
Watford
WD17 1DE
United Kingdom
9 November 2021

Profit and Loss Account

For the year ended 30 June 2020

		Year ended 30 June 2020	15 month period ended 30 June 2019
	Notes	£	£
Turnover	2	687,668	1,278,105
Cost of sales		(2,112)	(15,507)
Gross profit		685,556	1,262,598
Administration expenses		(524,821)	(986,711)
Other operating income	3	-	62,555
Operating profit		160,735	338,442
Interest receivable and similar income		11,266	4,567
Profit before taxation		172,001	343,009
Tax on profit	5	(1,753)	(21,962)
Profit for the financial year		170,248	321,047

The Company has no recognised gains or losses other than the profits for the current year or previous year as noted above.

The notes on pages 10 to 20 form part of these financial statements.

Balance Sheet

As at 30 June 2020

		Year ended 30 June 2020	15 month period ended 30 June 2019
Notes		£	£
		-	-
Current assets			
Debtors	9	1,082,138	1,248,492
Cash at bank and in hand		-	661,593
Tangible assets	7	-	17,413
Deferred tax asset		-	1,754
		<u>1,082,138</u>	<u>1,929,252</u>
Creditors: amounts falling due within one year	10	<u>(28,360)</u>	<u>(1,045,722)</u>
Net current assets		<u>1,053,778</u>	<u>883,117</u>
Net assets		<u>1,053,778</u>	<u>883,530</u>
Capital and reserves			
Share capital	11	126	126
Profit and loss account		<u>1,053,652</u>	<u>883,404</u>
Total equity		<u>1,053,778</u>	<u>883,530</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of Companies Act 2006.

These financial statements were approved and authorised for issue by the Board and were signed on its behalf on 9 November 2021.


Andrew Cartledge
Director

The notes on pages 10 to 20 form part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2020

	Attributable to the equity holders of the Parent		
	Issued capital	Profit and loss account	Total equity
	£	£	£
As at 1 April 2018	126	588,857	588,983
Profit for the period	-	321,047	321,047
Dividends declared and paid	-	(26,500)	(26,500)
At 30 June 2019	126	883,404	883,530

	Attributable to the equity holders of the Parent		
	Issued capital	Profit and loss account	Total equity
	£	£	£
As at 1 July 2019	126	883,404	883,530
Profit for the year	-	170,248	170,248
At 30 June 2020	126	1,053,652	1,053,778

The notes on pages 10 to 20 form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2020

1. Accounting policies

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling.

The Company's ultimate parent undertaking, WiseTech Global Limited includes the Company in its consolidated financial statements. The consolidated financial statements of WiseTech Global Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from www.wisetechglobal.com. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes, and
- Key Management Personnel compensation.
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The current period is for 12 months ended 30 June 2020 and the prior period is for 15 months ended 30 June 2019.

The Company's ultimate parent undertaking, WiseTech Global Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of WiseTech Global Limited are available to the public and may be obtained from www.wisetechglobal.com.

Going concern

The Company's business activity, together with the factors likely to effect its future development, performance and position are set out in the Directors' report on page 2. During the period from 1 July 2019 and until 31 January 2020, the Company's principal activity was development of business and domestic software. However on 1 February 2020, the directors took a decision to cease trading following the sale of Company's trade and assets to WiseTech Global (UK) Limited. As the directors do not intend to acquire a replacement trade, they have not prepared the financial statements on a going concern basis. This has resulted in tangible assets presented as current assets in these financial statements.

Measurement convention

This financial statements has been prepared under the historical cost basis.

1.1 Summary of significant accounting policies

a) Turnover

Turnover is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Turnover comprises the fair value of consideration received and receivable exclusive of value added tax and after discounts and rebates.

Turnover from the provision of services is recognised in the accounting period in which the services are rendered and the outcome of the contract can be estimated reliably.

Notes to the financial statements (continued)

For the year ended 30 June 2020

1. Accounting policies (continued)

b) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

EDP and office equipment	3 to 5 years	straight line
Fixtures & fittings	5 years	straight line
Motor vehicles	4 years	straight line

c) Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

d) Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

f) Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Notes to the financial statements (continued)

For the year ended 30 June 2020

1. Accounting policies (continued)

f) Financial instruments (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

g) Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

h) Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

i) Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

j) Research and Development Expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Notes to the financial statements (continued)

For the year ended 30 June 2020

1. Accounting policies (continued)

k) Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

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

l) Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

The ultimate parent entity operates a remuneration equity scheme granting zero costs share options to employees. The fair value of these grants is spread over the vesting period whereby the equity vests into exercisable share options at a group level. The net costs of these plans to the WiseTech Global (UK) Ltd is zero.

m) Related parties

The company has taken advantage of the exemption available under FRS 102, that transactions with wholly owned subsidiaries do not need to be disclosed.

n) Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

o) Share-based payments

The share-based payment program allows certain employees to acquire shares in the parent company, WiseTech Global Limited. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods by the parent company. The number of shares expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

Notes to the financial statements (continued)

For the year ended 30 June 2020

2. Turnover

	Year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
Recurring monthly and recurring annual software licence and maintenance fee	687,668	1,278,105
	<u>687,668</u>	<u>1,278,105</u>

3. Other operating income

	Year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
Profit on disposal of investment property	-	57,380
Sub-lease rental income	-	3,675
Gain on disposal of assets	-	1,500
Total other operating income	<u>-</u>	<u>62,555</u>

4. Administration expenses

	year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
Depreciation of tangible fixed assets owned by the Company	12,217	33,733
Auditor's remuneration - audit of financial statement	15,000	17,000
Operating lease costs	<u>10,000</u>	<u>30,000</u>

The Directors received no emoluments in respect of their services to the Company during the year (2019: £12,833).
The directors do not receive compensation from other group companies for their services to the company.

	year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
Included in cost of administrative expenses:		
Wages and salaries	348,899	245,590
Social security costs	29,057	20,623
Staff pension costs	<u>10,543</u>	<u>7,746</u>
Total employee benefits expense	<u>388,499</u>	<u>273,959</u>

Average number of employees for the period from 1 July 2019 to 31 Jan 2020 is 12 (2019: 11 staff). On 1 February 2020, due to sale of business by Company to Wisetech Global (UK) Limited, all staff were also employed by the acquiring company.

Notes to the financial statements (continued)

For the year ended 30 June 2020

5. Taxation

The major components of income tax expense for the years ended 30 June 2020 and 2019 are:

	year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
Analysis of tax charge in the year		
UK corporation tax:		
Current tax on income for the period	-	28,360
Deferred tax (see below):		
Origination and reversal of timing differences in the year	1,758	(7,150)
Adjustments in respect of prior periods	-	546
Effect of changes in tax rates	(5)	206
Tax on profit on ordinary activities	1,753	21,962

The standard rate of corporation tax in UK was reduced to 20% effective 1 April 2015. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. A change to the main UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted on 17 March 2020, whereby the rate applicable from 1 April 2020 now remained at 19% until 2023 rather than the previously enacted reduction to 17%.

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2019: lower) than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
Accounting profit before tax from continuing operations	172,001	343,009
Accounting profit before income tax	172,001	343,009
Current tax rate of 19% (2019: 19%)	32,680	65,172
Effects of:		
Expenses not deductible for tax purposes	-	1,917
Gains not taxable	-	(10,902)
Under provided in prior years	-	546
Origination and reversal of timing differences in the year	3,745	-
Effect of changes in tax rates	(5)	206
Tax losses transferred from related party	(34,667)	(34,977)
Total current tax charge (see above)	1,753	21,962

Notes to the financial statements (continued)

For the year ended 30 June 2020

5. Taxation (continued)

Deferred tax

Deferred tax assets and liabilities are attributable to the following:

Particulars	Assets		Liabilities		Net	
	30 June	30 June	30 June	30 June	30 June	30 June
	2020	2019	2020	2019	2020	2019
	£	£	£	£	£	£
Accelerated capital allowances	-	1,710	-	-	-	1,710
Other timing differences	-	43	-	-	-	43
Net tax assets / (liabilities)	-	1,753	-	-	-	1,753

	year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
As of 1 July	1,753	(4,644)
Tax (expense)/income during the period recognised in profit or loss	(1,758)	7,150
Adjustments in respect of prior periods	-	(546)
Effect of changes in tax rates	5	(207)
As at 30 June	-	1,753

6. Sale of business

On 1 February 2020, the Company sold its business to WiseTech Global (UK) Ltd for a purchase price of £1,074,360. The net assets acquired at book value were £1,074,360. A loan note was issued by WiseTech Global (UK) Limited to the Company to settle the purchase consideration. The loan note attracts an interest of 1.75% pa.

Notes to the financial statements (continued)

For the year ended 30 June 2020

7. Tangible fixed assets

	EDP and office equipment	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 July 2019	46,144	40,426	69,095	155,665
Disposal of business assets (Note 6)	(46,144)	(40,426)	(69,095)	(155,665)
At 30 June 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	EDP and office equipment	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£
Depreciation and impairment				
At 1 July 2019	40,818	38,271	59,163	138,252
Depreciation charge for the year	4,463	857	6,897	12,217
Disposal of business asset (Note 6)	(45,281)	(39,128)	(66,060)	(150,469)
At 30 June 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	EDP and office equipment	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£
Net book value				
At 30 June 2019	<u>5,326</u>	<u>2,155</u>	<u>9,932</u>	<u>17,413</u>

	EDP and office equipment	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£
At 30 June 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

For the year ended 30 June 2020

8. Investment properties

	Fair Value
	£
As at 1 April 2018	192,620
Disposal	<u>(192,620)</u>
As at 30 June 2019	-

The Company owned an freehold property at 14 Rectory Court Botley Southampton Hampshire SO30 2SJ which was sold during FY19 for £250,000. The profit on sale of the property was £57,380 which was accounted in the profit or loss account for FY19.

9. Debtors

	Year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
Amounts falling due within one year:		
Trade debtors	-	192,887
Net related party receivables	1,082,138	1,053,104
Other debtors	-	2,501
	<u>1,082,138</u>	<u>1,248,492</u>

10. Creditors

	Year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
Amounts falling due within one year		
Amounts due to group undertakings	24,485	417,682
Corporation tax	3,875	28,360
Other taxation and social security	-	66,627
Other creditors	-	533,053
	<u>28,360</u>	<u>1,045,722</u>

Notes to the financial statements (continued)

For the year ended 30 June 2020

11. Called up share capital

	Year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
Ordinary share capital		
Issued and fully paid		
76 ordinary shares of £1 each	76	76
50 ordinary 'A' shares of £1 each	50	50
	126	126

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

Class A shares do not have voting and capital distribution (including on winding up) rights; they do not confer any rights or redemption.

12. Operating lease commitments

	year ended 30 June 2020	15 month period ended 30 June 2019
	£	£
Within one year	-	24,000
After one year but not more than five years	-	8,000
	-	32,000

At 30 June 2020 the Company has no annual commitments under non-cancellable operating leases as the business has been sold to Wisetech Global (UK) Limited on 1 February 2020.

13. Related party disclosures

The Company was acquired by WiseTech Global (UK) Limited, a company incorporated in United Kingdom on 1 November 2018. WiseTech Global Limited is the ultimate controlling party of the Company. The parent undertaking of the largest and smallest group for which group accounts are drawn up of which the Company is a member, is WiseTech Global Limited.

The Company has applied the exemption to providing disclosure of transactions and balances with companies part of a wholly owned group where the group prepares publicly available group accounts.

14. Share-based payments

All the employees were transferred to Wisetech Global (UK) Limited during FY20. The share based payment expense for the period was £nil (2019: £1,131).

Notes to the financial statements (continued)

For the year ended 30 June 2020

15. Events after the reporting period

On 1 April 2021, LSI Sigma Software Ltd passed a resolution to extinguish the debt with WiseTech Global (UK) Ltd. It released WiseTech Global (UK) Ltd from its repayment obligations in respect of the amount due of the loan notes and any balance debt owed. The Company intends to commence the winding up proceedings during FY22.

Other than above, there have been no significant events occurring after the balance date which may affect either the Company's operations or results of those operations or the Company's state of affairs.