

PRECURSIVE LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

Murphy Salisbury Limited
Chartered Accountants
Celixir House
Stratford Business and Technology Park
Stratford-upon-Avon
Warwickshire
CV37 7GZ

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FOR THE YEAR ENDED 31 JANUARY 2023

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PRECURSIVE LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2023

DIRECTORS:

J F Corrie
J A Gasteen
A J Mahood
Evolution 2 Limited

REGISTERED OFFICE:

81 Mundania Road
London
SE22 0NW

REGISTERED NUMBER:

07481246 (England and Wales)

ACCOUNTANTS:

Murphy Salisbury Limited
Chartered Accountants
Celixir House
Stratford Business and Technology Park
Stratford-upon-Avon
Warwickshire
CV37 7GZ

BALANCE SHEET
31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	4		35,694		30,549
Investments	5		<u>20,227</u>		<u>20,227</u>
			55,921		50,776
CURRENT ASSETS					
Debtors	6	1,431,061		1,230,531	
Cash at bank		<u>767,167</u>		<u>393,306</u>	
		2,198,228		1,623,837	
CREDITORS					
Amounts falling due within one year	7	<u>1,439,954</u>		<u>1,447,570</u>	
NET CURRENT ASSETS			<u>758,274</u>		<u>176,267</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			814,195		227,043
CREDITORS					
Amounts falling due after more than one year	8		<u>6,950</u>		<u>31,701</u>
NET ASSETS			<u>807,245</u>		<u>195,342</u>
CAPITAL AND RESERVES					
Called up share capital	9		4,843		4,090
Share premium			5,243,451		2,838,230
Retained earnings			<u>(4,441,049)</u>		<u>(2,646,978)</u>
			807,245		195,342

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 January 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

PRECURSIVE LTD (REGISTERED NUMBER: 07481246)

BALANCE SHEET - continued
31 JANUARY 2023

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 30 October 2023 and were signed on its behalf by:

J F Corrie - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

1. STATUTORY INFORMATION

Precursive Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements have been rounded to the nearest £.

Going concern

The directors have prepared the financial statements on a going concern basis due to the continued support of its investors.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue derived from term licence and support agreements is recognised over the period of the agreements.

Revenue derived from implementation and professional services is recognised upon delivery/completion.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 25% on reducing balance

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

Investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

Financial instruments

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

2. ACCOUNTING POLICIES - continued

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 21 (2022 - 17) .

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 February 2022	273	49,607	49,880
Additions	-	16,743	16,743
Disposals	-	(1,884)	(1,884)
At 31 January 2023	<u>273</u>	<u>64,466</u>	<u>64,739</u>
DEPRECIATION			
At 1 February 2022	227	19,104	19,331
Charge for year	7	10,408	10,415
Eliminated on disposal	-	(701)	(701)
At 31 January 2023	<u>234</u>	<u>28,811</u>	<u>29,045</u>
NET BOOK VALUE			
At 31 January 2023	<u>39</u>	<u>35,655</u>	<u>35,694</u>
At 31 January 2022	<u>46</u>	<u>30,503</u>	<u>30,549</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 February 2022 and 31 January 2023	<u>20,227</u>
NET BOOK VALUE	
At 31 January 2023	<u>20,227</u>
At 31 January 2022	<u>20,227</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	731,148	593,182
Amounts owed by group undertakings	583,000	436,679
Other debtors	<u>116,913</u>	<u>200,670</u>
	<u>1,431,061</u>	<u>1,230,531</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	97,226	100,362
Amounts owed to group undertakings	111,133	111,783
Taxation and social security	42,315	45,459
Other creditors	<u>1,189,280</u>	<u>1,189,966</u>
	<u>1,439,954</u>	<u>1,447,570</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Other creditors	<u>6,950</u>	<u>31,701</u>

9. CALLED UP SHARE CAPITAL

During the year the company issued 301,206 D Ordinary shares and 451,807 E Ordinary shares both at a premium of £3.32 per share. There was also 30,210 B shares converted to E shares during the year. All classes of share have nominal value of £0.001 per share.

10. OTHER FINANCIAL COMMITMENTS

At the year end the company had minimum obligations of operating leases commitments of £116,135 (2022: £27,513).

At the year end the company had defined contribution pension commitments of £7,879 (2022: £2,399).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

11. SHARE-BASED PAYMENT TRANSACTIONS

During the year the company granted 105,087 EMI and unapproved share options. During the year 75,513 options lapsed. The remaining unexpired options will vest over 3 years in tranches. The total options that had been issued at the year end is 444,783. These options will exercise on an exit event.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.