

Registered number
11614028

SalesFire Limited

Unaudited Filleted Accounts

30 June 2022

Cummins Young
39 Westgate
Thirsk
North Yorkshire

YO7 1QR

SalesFire Limited**Registered number:** 11614028**Balance Sheet****as at 30 June 2022**

	Notes	2022	2021
		£	£
Fixed assets			
Intangible assets	3	92,588	97,629
Tangible assets	4	47,319	52,719
		<u>139,907</u>	<u>150,348</u>
Current assets			
Debtors	5	452,731	285,717
Cash at bank and in hand		10,727	32,869
		<u>463,458</u>	<u>318,586</u>
Creditors: amounts falling due within one year	6	(842,260)	(986,931)
Net current liabilities		<u>(378,802)</u>	<u>(668,345)</u>
Total assets less current liabilities		<u>(238,895)</u>	<u>(517,997)</u>
Creditors: amounts falling due after more than one year	7	(73,965)	(85,864)
Net liabilities		<u>(312,860)</u>	<u>(603,861)</u>
Capital and reserves			
Called up share capital		129	100
Share premium		838,388	-
Profit and loss account		(1,151,377)	(603,961)
Shareholders' funds		<u>(312,860)</u>	<u>(603,861)</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Mr R Himsworth

Director

Approved by the board on 17 August 2022

SalesFire Limited

Notes to the Accounts

for the year ended 30 June 2022

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Going concern

The directors have prepared the financial statements on the going concern basis of accounting taking into account the performance of UK economy in the post Covid-19 environment.

The company works with online retailers, and whilst the e-commerce market place generally has reported some declines from the peaks seen in online revenues during the Covid-19 pandemic, the Salesfire product suite is competitively priced and is now even more important to retailers seeking to converting more of their website traffic to sales. The directors are therefore confident that the business is well positioned to successfully deliver further growth and that it remains a going concern.

In common with other successful Software as a Service businesses, Salesfire anticipates making further EBITDA losses as it continues its growth path to full profitability. The directors have confirmed that sufficient funds will be made available by its shareholders to allow the company to deliver its growth plans and will continue to be a going concern.

Government grants

Government grants in relation to revenue expenditure that has already been incurred for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in income in the period in which they become receivable.

Intangible fixed assets

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

A m o r t i s a t i o n

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Patents	straight line over 20 years
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Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Leasehold land and buildings	over the lease term
Computer equipment	33% reducing balance
Fixtures, fittings, tools and equipment	20% reducing balance

Investments

Investments in subsidiaries, associates and joint ventures are measured at cost less any accumulated impairment losses. Listed investments are measured at fair value. Unlisted investments are measured at fair value unless the value cannot be measured reliably, in which case they are measured at cost less any accumulated impairment losses. Changes in fair value are included in the profit and loss account.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. 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, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 Employees	2022	2021
	Number	Number
Average number of persons employed by the company	52	43
3 Intangible fixed assets		£
Trademarks, patents and licenses		
Cost		
At 1 July 2021		107,288
At 30 June 2022		107,288

Amortisation

At 1 July 2021	9,659
Provided during the year	5,041
At 30 June 2022	<u>14,700</u>

Net book value

At 30 June 2022	<u>92,588</u>
At 30 June 2021	<u>97,629</u>

4 Tangible fixed assets

	Furniture, fittings and equipment	Land and buildings	Total
	£	£	£
Cost			
At 1 July 2021	67,755	1,052	68,807
Additions	10,224	-	10,224
Disposals	(1,219)	-	(1,219)
At 30 June 2022	<u>76,760</u>	<u>1,052</u>	<u>77,812</u>
Depreciation			
At 1 July 2021	15,878	210	16,088
Charge for the year	14,685	53	14,738
On disposals	(333)	-	(333)
At 30 June 2022	<u>30,230</u>	<u>263</u>	<u>30,493</u>
Net book value			
At 30 June 2022	<u>46,530</u>	<u>789</u>	<u>47,319</u>
At 30 June 2021	<u>51,877</u>	<u>842</u>	<u>52,719</u>

Included within the net book value of land and buildings above is £789 (2021 - £842) in respect of long leasehold land and buildings.

5 Debtors

	2022	2021
	£	£
Trade debtors	123,529	87,933
Prepayments	42,438	38,648
Other debtors	286,764	159,136
	<u>452,731</u>	<u>285,717</u>
Amounts due after more than one year included above	<u>69,231</u>	<u>246</u>

Details of non-current trade and other debtors

£69,231 (2021 -£246) of other debtors is classified as non current. This relates to a deferred tax asset.

6 Creditors: amounts falling due within one year	2022	2021
	£	£
Amounts owed to group undertakings	109,446	730,442
Trade creditors	144,812	61,710
Accruals	55,832	17,073
Other creditors	13,832	7,685
Deferred income	248,246	40,040
Bank loans and overdrafts	26,137	29,972
Taxation and social security costs	243,955	100,009
	<u>842,260</u>	<u>986,931</u>
7 Creditors: amounts falling due after one year	2022	2021
	£	£
Bank loans	<u>73,965</u>	<u>85,864</u>

Creditors falling due within one year include bank loans which are secured by directors personal guarantee of £20,256 (2021 - £20,000). Creditors falling due after more than one year include bank loans which are secured by directors personal guarantee of £33,016 (2021 - £46,667).

8 Related party transactions

Saoirse Capital Limited
(Company related by common directors)

As at the balance sheet date, the company owed Saoirse Capital Limited £nil (2021 - £ 5 1 0 , 4 4 2) .

Interest was charged at a rate of 12% on the loan until the debt conversion noted below.

Northern Stable Limited
(Company related by common directors)

As at the balance sheet date, the company owed Northern Stable Limited £99,446 (2021 - £96,000) in respect of management charges.

As at the balance sheet date, Northern Stable Limited owed the company £nil (2021 - £60).

The loan is interest free .

Innovation Lab (Digital) Limited
(Company related by common directors)

As at the balance sheet date, £nil (2021 - £124,000) was owed by Salesfire Limited. Until the debt conversion noted below, the loan accrued interest at a rate of 12% per annum.

Leader Group Investments Limited
(Company related by common directors)

As at the balance sheet date, £10,000 (2021 - £nil) was owed by Salesfire Limited. in respect
o f
d i r e c t o r f e e s .

Saoirse Capital Limited & Innovation Lab (Digital) Limited
(Companies related by common directors)
On 20 April 2022 the directors of Salesfire Limited approved an agreement for the
conversion of the debts owed to Saoirse Capital Limited (including those amounts previously
o w e d
to Innovation Lab (Digital) Limited and recently novated to Saoirse Capital) in the total of
£838,416.15 into 2,956,540 Class A Ordinary shares of £0.00001 in the company.

9 Controlling party

The directors believe that there is no overall controlling party.

10 Other information

SalesFire Limited is a private company limited by shares and incorporated in England. Its
registered office is:

2nd Floor
16-26 Albert Road
Middlesbrough
Cleveland
TS1 1QA

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