

Registered number

11614028

SalesFire Limited

Unaudited Filleted Accounts

30 June 2021

Cummins Young

39 Westgate

Thirsk

North Yorkshire
YO7 1QR

SalesFire Limited**Registered number:** 11614028**Balance Sheet****as at 30 June 2021**

| | Notes | 2021 £ | 2020 £ |
|--|-------|------------------|------------------|
| Fixed assets | | | |
| Intangible assets | 3 | 97,629 | 96,203 |
| Tangible assets | 4 | 52,719 | 28,370 |
| | | <u>150,348</u> | <u>124,573</u> |
| Current assets | | | |
| Debtors | 5 | 285,717 | 212,919 |
| Cash at bank and in hand | | 32,869 | 67,876 |
| | | <u>318,586</u> | <u>280,795</u> |
| Creditors: amounts falling due within one year | 6 | (986,931) | (448,384) |
| Net current liabilities | | <u>(668,345)</u> | <u>(167,589)</u> |
| Total assets less current liabilities | | <u>(517,997)</u> | <u>(43,016)</u> |
| Creditors: amounts falling due after more than one year | 7 | (85,864) | (116,667) |
| Net liabilities | | <u>(603,861)</u> | <u>(159,683)</u> |
| Capital and reserves | | | |
| Called up share capital | | 100 | 100 |
| Profit and loss account | | (603,961) | (159,783) |
| Shareholders' funds | | <u>(603,861)</u> | <u>(159,683)</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 M J Leader

Director

Approved by the board on 20 October 2021

SalesFire Limited
Notes to the Accounts
for the year ended 30 June 2021

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 Covid-19 (Coronavirus) and the impact this has had on the performance of the business. Attention is drawn to the fact that it is not yet possible to predict the overall impact of the Covid-19 outbreak on the UK economy. The company is an online business and therefore the impact has been relatively minor, although lockdown impacted upon the ability to generate new business in the short-term. The company has taken advantage of Government Schemes and given the easing of lockdown conditions at the date of this report the directors are confident that the business is very well positioned to successfully deliver further growth and is confident 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 the ultimate holding company 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

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 | 2021 | 2020 |
|---|---|--------|--------|
| | | Number | Number |
| | Average number of persons employed by the company | 43 | 29 |

| 3 | Intangible fixed assets | £ |
|---|----------------------------------|---|
| | | |
| | Trademarks, patents and licenses | |

Cost

| | |
|-------------------------------|---------|
| At 1 July 2020 | 100,821 |
| Additions acquired separately | 6,467 |
| At 30 June 2021 | 107,288 |

Amortisation

| | |
|--------------------------|--------------|
| At 1 July 2020 | 4,618 |
| Provided during the year | 5,041 |
| At 30 June 2021 | <u>9,659</u> |

Net book value

| | |
|-----------------|---------------|
| At 30 June 2021 | <u>97,629</u> |
| At 30 June 2020 | <u>96,203</u> |

4 Tangible fixed assets

| | Furniture, fittings and equipment | Land and buildings | Total |
|-----------------------|--|-------------------------------|---------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 July 2020 | 30,760 | 1,052 | 31,812 |
| Additions | 37,795 | - | 37,795 |
| Disposals | (800) | - | (800) |
| At 30 June 2021 | <u>67,755</u> | <u>1,052</u> | <u>68,807</u> |
| Depreciation | | | |
| At 1 July 2020 | 3,442 | - | 3,442 |
| Charge for the year | 12,580 | 210 | 12,790 |
| On disposals | (144) | - | (144) |
| At 30 June 2021 | <u>15,878</u> | <u>210</u> | <u>16,088</u> |
| Net book value | | | |
| At 30 June 2021 | <u>51,877</u> | <u>842</u> | <u>52,719</u> |
| At 30 June 2020 | <u>27,318</u> | <u>1,052</u> | <u>28,370</u> |

Included within the net book value of land and buildings above is £842 (2020 - £1,052) in respect of long leasehold land and buildings.

5 Debtors

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Trade debtors | 87,933 | 97,409 |
| Prepayments | 38,648 | 11,318 |
| Other debtors | 159,136 | 104,192 |
| | <u>285,717</u> | <u>212,919</u> |
| Amounts due after more than one year included above | <u>246</u> | <u>246</u> |

Details of non-current trade and other debtors

£246 (2020 -£246) of other debtors is classified as non current. This relates to a deferred tax asset.

| 6 Creditors: amounts falling due within one year | 2021 | 2020 |
|--|----------------|----------------|
| | £ | £ |
| Amounts owed to group undertakings | 730,442 | 112,000 |
| Trade creditors | 61,710 | 77,466 |
| Accruals | 17,073 | 20,525 |
| Other creditors | 7,685 | - |
| Deferred income | 40,040 | 28,725 |
| Bank loans and overdrafts | 29,972 | 20,000 |
| Taxation and social security costs | 100,009 | 189,668 |
| | <u>986,931</u> | <u>448,384</u> |

| 7 Creditors: amounts falling due after one year | 2021 | 2020 |
|---|---------------|----------------|
| | £ | £ |
| Bank loans | <u>85,864</u> | <u>116,667</u> |

Creditors falling due within one year include bank loans which are secured by directors personal guarantee of £20,000 (2020 - £20,000). Creditors falling due after more than one year include bank loans which are secured by directors personal guarantee of £66,667 (2020 - £66,667).

8 Related party transactions

Saoirse Capital Limited
(Company related by common directors)
As at the balance sheet date, the company owed Saoirse Capital Limited £510,442 (2020 - £nil).
Interest is charged at a rate of 12% on the loan.

Northern Stable Limited
(Company related by common directors)
As at the balance sheet date, the company owed Northern Stable Limited £96,000 (2020 - £nil) in respect of management charges.
As at the balance sheet date, Northern Stable Limited owed the company £60 (2020 - £nil). The loan is interest free.

Innovation Lab (Digital) Limited
(Company related by common directors)
As at the balance sheet date of 30 June 2021, £124,000 (2020 - £112,000) was owed by Salesfire Ltd. Until repayment in full, the balance shall accrue compound interest at a rate of 12% per annum.

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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