

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020
FOR
PERIVAN LIMITED**



**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	4
Income Statement	6
Balance Sheet	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9

PERIVAN LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020**

DIRECTORS:

R D Bishop
G L Hudson
P G Williams

SECRETARY:

London Registrars Ltd

REGISTERED OFFICE:

21 Worship Street
London
EC2A 2DW

REGISTERED NUMBER:

12066149 (England and Wales)

AUDITORS:

Nunn Hayward LLP
Chartered Accountants
Statutory Auditor
2-4 Packhorse Road
Gerrards Cross
Buckinghamshire
SL9 7QE

**STRATEGIC REPORT
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020**

The directors present their strategic report for the period 24 June 2019 to 31 July 2020.

This was the company's first year of trading. It was formed on 24th June 2019 in order to receive some of the assets and trade of Simplifie Limited which were hived down. A short history of the events leading to this demerger is given below.

PRINCIPAL ACTIVITIES

Perivan provides a range of print management and design services, using sophisticated software to remove friction and improve control. More information is available at www.perivan.com.

REVIEW OF BUSINESS

The company's sales in the year were £9.42m and the pre-tax profit £827k.

At the year end the company had a positive cash balance of £1.68m.

EFFECT OF COVID-19

The company operated without interruption during the national lockdown. Demand for some services fell following the initial lockdown and the directors estimate that this reduced profits in the last four months of the year by approximately £200k.

CURRENT TRADING

Current trading is satisfactory and in line with expectations.

FUTURE STRATEGY

The directors believe there is a significant opportunity to grow the business over the next few years and are increasing the company's investment in sales, marketing and product development. This is expected to suppress profits in the short term but increase them in the longer term.

EVENTS LEADING TO THE CREATION OF THE COMPANY

The events leading to the creation of the company were as follows:

In 2003 this company's directors established a company called Perivan to acquire some pre-existing assets and trade. Perivan was a print and design services business, and from 2010 it also began to develop software-as-a-service (SaaS) revenues. In 2014 Perivan acquired a software development company and in 2016 the software business was established as a separate division within the company.

In 2019 the Directors decided to split the two divisions into different legal entities because they had become incompatible and were hampering each other. This was accomplished in July 2019. The two companies had identical shareholdings and share options were granted to the key managers of each.

On demerger the original company changed its name from Perivan to Simplifie and the print and design services business was hived down to this company which took the name Perivan.

Shortly after the demerger an unsolicited offer was made for Simplifie by Diligent Corporation, a US software company. Simplifie was growing at a rate of 25% p.a. and the board were mindful that SaaS businesses are highly valued, but Diligent's offer took full account of the company's potential and the shareholders agreed to sell it to them. This sale was concluded on 11th December 2019.

ON BEHALF OF THE BOARD:



P G. Williams - Director

8 December 2020

**REPORT OF THE DIRECTORS
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020**

The directors present their report with the financial statements of the company for the period 24 June 2019 to 31 July 2020.

INCORPORATION

The company was incorporated on 24 June 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of print and design services to the financial industry.

DIRECTORS

The directors who have held office during the period from 24 June 2019 to the date of this report are as follows:

R D Bishop - appointed 24 June 2019
G L Hudson - appointed 24 June 2019
P G Williams - appointed 24 June 2019

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Nunn Hayward LLP, are deemed to be reappointed.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



P G Williams - Director

8 December 2020

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PERIVAN LIMITED

Opinion

We have audited the financial statements of Perivan Limited (the 'company') for the period ended 31 July 2020 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2020 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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
- 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PERIVAN LIMITED

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.

Nunn Hayward LLP

Daniel Palmer (Senior Statutory Auditor)
for and on behalf of Nunn Hayward LLP
Chartered Accountants
Statutory Auditor
2-4 Packhorse Road
Gerrards Cross
Buckinghamshire
SL9 7QE

8 December 2020

**INCOME STATEMENT
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020**

	£
TURNOVER	9,417,313
Cost of sales	<u>(4,087,234)</u>
GROSS PROFIT	5,330,079
Administrative expenses	<u>(4,537,826)</u>
	792,253
Other operating income	<u>34,339</u>
OPERATING PROFIT	826,592
Interest receivable and similar income	<u>181</u>
PROFIT BEFORE TAXATION	826,773
Tax on profit	<u>(193,730)</u>
PROFIT FOR THE FINANCIAL PERIOD	<u><u>633,043</u></u>

The notes form part of these financial statements

BALANCE SHEET
31 JULY 2020

	Notes	£	£
FIXED ASSETS			
Intangible assets	4		2,493
Tangible assets	5		167,014
			<u>169,507</u>
CURRENT ASSETS			
Stocks		77,681	
Debtors	6	1,373,515	
Cash at bank and in hand		1,676,260	
		<u>3,127,456</u>	
CREDITORS			
Amounts falling due within one year	7	1,601,887	
			<u>1,525,569</u>
NET CURRENT ASSETS			<u>1,525,569</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,695,076
PROVISIONS FOR LIABILITIES			88,116
NET ASSETS			<u>1,606,960</u>
CAPITAL AND RESERVES			
Called up share capital	8		260,450
Capital reduction	9		8,139,551
Merger difference	9		(7,426,084)
Retained earnings	9		633,043
SHAREHOLDERS' FUNDS			<u>1,606,960</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 8 December 2020 and were signed on its behalf by:



P G Williams - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020**

	Called up share capital £	Retained earnings £	Capital reduction £	Merger difference £	Total equity £
Changes in equity					
Increase in share capital	8,400,001	-	-	-	8,400,001
Reduction in share capital	(8,139,551)	-	-	-	(8,139,551)
Total comprehensive income	-	633,043	8,139,551	(7,426,084)	1,346,510
Balance at 31 July 2020	<u>260,450</u>	<u>633,043</u>	<u>8,139,551</u>	<u>(7,426,084)</u>	<u>1,606,960</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020**

1. STATUTORY INFORMATION

Perivan Limited 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.

The accounts are presented in £sterling and rounded to the nearest pound.

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.

Turnover

Turnover represents amounts receivable for provision of financial document management services net of VAT and trade discounts.

Revenue on financial document management services is recognised as the activity progresses and services are performed. The associated costs and revenue are recognised in line with the raising of an invoice based upon contractual milestones which stipulate when performance of elements of the contract are fulfilled. The costs incurred on contracts are used whereby they provide evidence of the seller's performance and hence allow the right to consideration by the seller. Amounts recoverable on contracts are only recognised to the extent that revenue is also recognised. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Intangible assets

Trademarks that are acquired by the company are stated at cost less accumulated amortisation and less accumulated impairment losses. Their useful life is considered to be 3 years.

Tangible fixed assets

Depreciation is provided on all assets when the asset is available for use, i.e. when it is in location and condition necessary for it to be capable of operating in the manner intended by the management. Depreciation of an asset ceases when the asset is derecognised. Depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

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

Improvements to property	- The balance of the lease term
Plant and machinery	- Straight line over 5 years
Fixtures and fittings	- Straight line over 5 years
Motor vehicles	- Straight line over 3 years
Computer equipment	- Straight line over 3 years

Stocks

Stocks and work-in-progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is calculated using the first-in first out method.

Taxation

Taxation for the period 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020

2. ACCOUNTING POLICIES - continued

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 period 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.

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.

Amounts recoverable on contracts

Amounts recoverable on contracts is valued as a proportion of final sales value, less foreseeable losses.

Government grants

Income from government grants is recognised when the company has met the eligibility criteria and is certain of the receipt of the income. The government grant income recognised in these financial statements relates to the Job Retention Scheme.

Provisions

A provision is recognised in the balance sheet when the entity 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.

Going concern.

The financial statements have been prepared on a going concern basis which directors consider to be appropriate. In coming to the conclusion that the company is a going concern the directors have been mindful of two prevailing economic uncertainties that may have an effect on the company's trade and net assets. These are the imminent change in terms of trade with the EU (Brexit) and the global Corona Virus pandemic.

Brexit

The company remains alert in considering the impact of Brexit on the business. Currently, this continues to be uncertain because negotiations with the EU are on-going. The majority of the business is UK based as are the key suppliers and key customers which provides a structural level of mitigation to the logistical difficulties that the economy may face. However, the economic impact and its overall effect on level of trade are unpredictable at the time of approval of these accounts but the directors consider the impact on the company's market will be limited.

COVID-19

In March 2020 the World Health Organisation declared the COVID-19 outbreak to be a pandemic. In the subsequent months many countries across the world, including the UK, opted to lockdown their populations in an attempt to reduce transmission of the virus to a manageable level. This created unprecedented disruption to the both the UK and the world economy. The directors of the company have undertaken forecasting to consider the impact of reduced turnover over the next year and are able to conclude that the company can withstand the expected drop in sales activity. Based on the forecasts made the directors consider that the company will be able to meet its day to day working capital requirements as they fall due and has adequate resources to continue in operational existence for the foreseeable future (for at least twelve months from the date of approval of these financial statements). Consequently, the directors continue to adopt the going concern basis in preparing the financial statements.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 57.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020

4. INTANGIBLE FIXED ASSETS

	Trademarks £
COST	
Transfer to ownership	7,785
At 31 July 2020	<u>7,785</u>
AMORTISATION	
Amortisation for period	2,595
Transfer to ownership	2,697
At 31 July 2020	<u>5,292</u>
NET BOOK VALUE	
At 31 July 2020	<u>2,493</u>

5. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
Additions	-	-	-
Disposals	-	-	-
Transfer to ownership	159,069	69,089	39,002
At 31 July 2020	<u>159,069</u>	<u>69,089</u>	<u>39,002</u>
DEPRECIATION			
Charge for period	32,857	11,785	7,801
Eliminated on disposal	-	-	-
Transfer to ownership	87,879	37,257	21,342
At 31 July 2020	<u>120,736</u>	<u>49,042</u>	<u>29,143</u>
NET BOOK VALUE			
At 31 July 2020	<u>38,333</u>	<u>20,047</u>	<u>9,859</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
Additions	24,274	67,013	91,287
Disposals	(15,883)	-	(15,883)
Transfer to ownership	15,883	225,034	508,077
At 31 July 2020	<u>24,274</u>	<u>292,047</u>	<u>583,481</u>
DEPRECIATION			
Charge for period	5,577	42,452	100,472
Eliminated on disposal	(15,883)	-	(15,883)
Transfer to ownership	13,677	171,723	331,878
At 31 July 2020	<u>3,371</u>	<u>214,175</u>	<u>416,467</u>
NET BOOK VALUE			
At 31 July 2020	<u>20,903</u>	<u>77,872</u>	<u>167,014</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 24 JUNE 2019 TO 31 JULY 2020

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Trade debtors	1,119,379
Amounts recoverable on contract	114,343
Other debtors	139,793
	<u>1,373,515</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Trade creditors	882,046
Taxation and social security	304,831
Other creditors	415,010
	<u>1,601,887</u>

8. CALLED UP SHARE CAPITAL

Number:	Class:	Nominal value:	£
8,400,001	Share capital 1	1	<u>260,450</u>

8,400,001 Ordinary shares of 1 each were allotted at par during the period.

The company allotted 8,400,001 ordinary shares to Simplifie Limited as consideration for the hive-down of trade. Due to the disparity of net assets to share capital it subsequently chose to undertake a share capital reduction on 7 February 2020.

9. RESERVES

	Retained earnings £	Capital reduction £	Merger difference £	Totals £
Profit for the period	633,043			633,043
Movement in the period	-	8,139,551	(7,426,084)	713,467
At 31 July 2020	<u>633,043</u>	<u>8,139,551</u>	<u>(7,426,084)</u>	<u>1,346,510</u>

The merger difference reserve has arisen from the hive-down of the print services assets and trade from Simplifie Limited on 26 July 2019. There were three main reasons for the demerger:

1. To attract third party investors who would want to invest in a software business but not a printing business;
2. To incentivise each management team with shares in their business rather than the whole;
3. To prevent the different cultures of the two businesses having a negative impact on each other.

The capital reduction, see note 8, is shown as an separate reserve to maintain transparency around the values within the shareholders' funds.

10. OTHER FINANCIAL COMMITMENTS

At the balance sheet date the company was committed to £420,418 of payments under operating leases which have not been recognised in the company's liabilities.

11. ULTIMATE CONTROLLING PARTY

The controlling party is Perivan Holdco Limited.

The parent company's registered office is 21 Worship Street, London, EC2A 2DW.

12. **ASSETS SECURED**

All amounts that may become due to Lloyds Bank Commercial Finance Limited are secured by a fixed and floating charge over the undertaking and all assets present and future.