

MOTION SOFTWARE LIMITED

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020



MOTION SOFTWARE LIMITED

COMPANY INFORMATION

Directors	Richard Clancy (appointed 29 November 2019) David Innes Swanston (appointed 29 November 2019) Scott Ryan Saklad (appointed 29 November 2019) Stephen Fraser Burt (resigned 29 November 2019)
Company secretary	Thomas Baptie
Registered number	SC218287
Registered office	Pavilion 3 115 Grandholm Drive Aberdeen AB22 8AE

MOTION SOFTWARE LIMITED

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MOTION SOFTWARE LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

Introduction

The Directors present the Strategic Report and financial statement for the year ended 31 December 2020

Business review

Motion Software Limited ("the Company") is a wholly owned subsidiary of Constellation Software Inc. a Canadian company listed on the Toronto Stock Exchange ("TSX").

As wholly owned subsidiaries, the Group benefits from the operational and financial support of its ultimate parent and its intermediate parent company, Gary Jonas Computing Ltd ("Jonas"). Jonas is a leading provider of enterprise management software solutions to the Club, Leisure Fitness and Sports, Salon and Spa, Foodservice, Construction, Attractions, Metal Service Centres, Moving and Storage, Education, Hotel and Hospitality, Camps, Event Management, Radiology/Laboratory Information Systems, Consumer Product Licensing, Payment Processing, Dynamic Case Management, Wine POS, Marina, Manufacturing, Managed Print Services, Legal, Email Marketing, Elevator Maintenance, Early Intervention, Medical Technology and Retail industries.

Principal risks and uncertainties

Client purchasing activity was initially interrupted as the customers adapted to the Covid-19 pandemic during 2020. However, purchasing activity recovered with several clients restarting projects they initially put on hold when there was the uncertainty.

Competitive pressure continues to be strong with new technologies offering alternative solutions. To manage this risk, the Company strives to provide added-value products and services to its customers; prompt response times in the supply of products and services and in the handling of customer queries; and through the maintenance of strong relationships with customers; and adapting software and hardware products to meet customer needs.

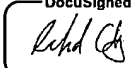
Key Performance Indicators

In alignment with group policy, the Company considers its Key Performance Indicators ("KPIs") to be those which drive shareholder value, namely Growth in Gross Profit ("GPP") and Profitability.

	2020	2019	2019
Growth / (Decline) in Gross Profit	6%	(47)%	4%
Profit/(loss) before tax	(411,330)	(70,961)	484,065

In addition to the above KPIs, the Company also pays close attention to its net current assets position. Jonas requires that the Company is party to a central corporate treasury function which allows the group to centrally manage its liquidity and financial risks whilst ensuring capital is deployed globally in the most effective manner. However, this can mean that locally the financial strength of the Company is not necessarily conveyed by the net current asset position when reading these financial statements in isolation. To fully understand the size and strength of the corporate group of which the Company is a part, these financial statements should be read in conjunction with those of Constellation Software Inc.

This report was approved by the board on 24 September 2021 and signed on its behalf.

DocuSigned by:

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Richard Clancy
 Director

MOTION SOFTWARE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the period ended 31 December 2020.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, 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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments 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 to 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.

Principal activity

The principal activity of the Company is the development and delivery of compliance and inspection software.

Results and dividends

The loss for the period, after taxation, amounted to £340,633 (2019 - profit £13,965).

Dividends of £435,000 were paid during the period (2019 - £0). The Directors do not recommend payment of a final dividend.

Directors

The directors who served during the period were:

Richard Clancy (appointed 29 November 2019)
David Innes Swanston (appointed 29 November 2019)
Scott Ryan Saklad (appointed 29 November 2019)
Stephen Fraser Burt (resigned 29 November 2019)

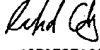
Future developments

The Company continues to actively develop its core systems whilst seeking new developments within its current market place.

MOTION SOFTWARE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2020**

This report was approved by the board on 24 September 2021 and signed on its behalf.

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Richard Clancy
Director

MOTION SOFTWARE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Note	Period Ended 31 December 2020 £	Period Ended 28 November 2019 £
Turnover	4	1,312,719	1,203,183
Cost of sales		(197,584)	(152,998)
Gross profit		<u>1,115,135</u>	<u>1,050,185</u>
Administrative expenses		(1,575,174)	(1,113,543)
Other operating income		56,819	-
Operating loss		<u>(403,220)</u>	<u>(63,358)</u>
Interest receivable and similar income		-	550
Interest payable and expenses		(8,110)	(8,153)
Loss before tax		<u>(411,330)</u>	<u>(70,961)</u>
Tax on loss	6	70,697	84,926
(Loss)/profit for the financial period		<u><u>(340,633)</u></u>	<u><u>13,965</u></u>

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 9 to 21 form part of these financial statements.

MOTION SOFTWARE LIMITED
REGISTERED NUMBER: SC218287

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	31 December 2020 £	28 November 2019 £
Fixed assets			
Tangible assets	7	333,115	45,159
		<u>333,115</u>	<u>45,159</u>
Current assets			
Stocks	8	1,838	-
Debtors: amounts falling due within one year	9	1,977,984	490,167
Cash at bank and in hand	10	4,798	1,305,817
		<u>1,984,620</u>	<u>1,795,984</u>
Creditors: amounts falling due within one year		<u>(1,151,196)</u>	<u>(749,075)</u>
Net current assets		833,424	1,046,909
Total assets less current liabilities		<u>1,166,539</u>	<u>1,092,068</u>
Creditors: amounts falling due after more than one year	12	(293,601)	-
Net assets		<u><u>872,938</u></u>	<u><u>1,092,068</u></u>
Deferred income		556,503	-
Capital and reserves			
Called up share capital		105	105
Share premium account		38,995	38,995
Profit and loss account		277,335	1,052,968
		<u><u>872,938</u></u>	<u><u>1,092,068</u></u>

**MOTION SOFTWARE LIMITED
REGISTERED NUMBER: SC218287**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2020**

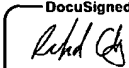
The members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 September 2021.

DocuSigned by:

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Richard Clancy
Director

MOTION SOFTWARE LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 29 November 2019	105	38,995	1,052,968	1,092,068
Comprehensive income for the period				
Loss for the period	-	-	(340,633)	(340,633)
Total comprehensive income for the period	-	-	(340,633)	(340,633)
Dividends: Equity capital	-	-	(435,000)	(435,000)
Total transactions with owners	-	-	(435,000)	(435,000)
At 31 December 2020	105	38,995	277,335	316,435

MOTION SOFTWARE LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 NOVEMBER 2019

	Called up share capital	Share premium account	Share based payments reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2019	100	-	-	895,086	895,186
Comprehensive income for the period					
Profit for the period	-	-	-	13,965	13,965
Shares issued during the period	5	38,995	-	-	39,000
Release of reserve on exercise of employee share option scheme	-	-	(143,917)	143,917	-
Issue of employee share options in the period	-	-	143,917	-	143,917
Total transactions with owners	5	38,995	-	143,917	182,917
At 28 November 2019	105	38,995	-	1,052,968	1,092,068

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

1. General information

Motion Software Limited is a private company limited by shares incorporated in Scotland. The registered office is Pavillion , 115 Grandholm Drive, Aberdeen, AB22 8AE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The directors have reviewed the working capital requirements of the Company for a period of at least 12 months from the anticipated date of signing of the financial statements and are satisfied that the Company will be able to meet its liabilities as they fall due.

The Company's forecasts for the period of 12 months following the approval of the financial statements have been reviewed, and accordingly the Company continues to adopt the going concern basis in preparing its financial statements.

The COVID-19 virus continues to have an impact across the world, however the 2021 revenue and EBITA have not been as negatively impacted as in 2019 and 2020.

Forecasts have been built on a detailed bottom-up approach; revenue based on pipeline, contracts, customer, and market knowledge, and with costs being based on historic data, future plans and knowledge of the industry.

2021 is expected to see a rise in revenue, EBITA and a stronger cash flow position.

2.3 Impact of new international reporting standards, amendments and interpretations

IFRS 16

The Company has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 29 November 2019.

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

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:

The Company has contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company adjusts the transaction prices of these contracts for the time value of money.

Sale of goods

Revenue from the sale of goods is recognised on the satisfaction of performance obligations, such as the transfer of a promised good, identified in the contract between the Company and the customer.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Rendering of services

Revenue from providing services is recognised in the accounting period in which the services are rendered.

For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.6 Leases

The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

The lease liability is included in 'Creditors' on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Intangible Assets', 'Tangible Fixed Assets' and 'Investment Property' lines, as applicable, in the Statement of Financial Position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2.11.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

2.7 Government grants

Government grants received on capital expenditure are initially recognised within deferred income on the Company's Statement of Financial Position and are subsequently recognised in profit or loss on a systematic basis over the useful life of the related capital expenditure.

Grants for revenue expenditure are presented as part of the profit or loss in the periods in which the expenditure is recognised.

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.8 Pensions

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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

2.11 Tangible fixed assets

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 Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

MOTION SOFTWARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020****2. Accounting policies (continued)****2.11 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2%
Fixtures and fittings	-	20%
Computer equipment	-	25%

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 profit or loss.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements required management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount of values may vary in certain instances from the assumption and estimates made. Changes will be recorded, with corresponding effect in the Statement of Comprehensive Income, when, and if, better information is obtained.

Information about assumptions and estimation uncertainties that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

The recognition of deferred tax assets is based on forecasts of future taxable profit. The measurement of future profit for the purposes of determining whether or not to recognise deferred tax assets depends on many factors, including the Company's ability to generate such profits and the implementation of effective tax planning strategies. The occurrence or non-occurrence of such events in the future may lead to significant changes to the measurement of deferred tax assets.

In recognising provisions, the company evaluates the extent to which it is possible that it has incurred a legal or constructive obligation in respect of past events and the probability that there will be an outflow of benefits as a result. The judgements used to recognise provisions are based on currently known factors which may vary over time, resulting in changes in the measurement of recorded amounts as compared to initial estimates.

Management estimate that net realisable values of stock, taking into account the most reliable evidence at each reporting date. The future realisation of these inventories may be affected by future technology or other market driven changes that may reduce future selling prices.

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

4. Turnover

Analysis of turnover by country of destination:

	Period Ended 31 December 2020 £	<i>Period Ended 28 November 2019 £</i>
United Kingdom	1,237,116	1,203,183
Rest of Europe	75,603	-
	<u>1,312,719</u>	<u>1,203,183</u>

5. Employees

	Period Ended 31 December 2020 £	<i>Period Ended 28 November 2019 £</i>
Wages and salaries	1,033,430	636,212
Social security costs	124,372	68,363
Cost of defined contribution scheme	51,300	27,295
	<u>1,209,102</u>	<u>731,870</u>

The average monthly number of employees, including the directors, during the period was as follows:

	Period Ended 31 December 2020 No.	<i>Period Ended 28 November 2019 No.</i>
Development, professional services and support staff	16	-
Sales and marketing staff	2	-
Management and administration staff	2	-
Uncategorised	-	28
	<u>20</u>	<u>28</u>

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

6. Taxation

	Period Ended 31 December 2020 £	<i>Period Ended 28 November 2019 £</i>
Corporation tax		
Current tax on profits for the year	(65,297)	(84,926)
Adjustments in respect of previous periods	(5,389)	-
	<u>(70,686)</u>	<u>(84,926)</u>
Total current tax	<u>(70,686)</u>	<u>(84,926)</u>
Deferred tax		
Origination and reversal of timing differences	(11)	-
Total deferred tax	<u>(11)</u>	<u>-</u>
Taxation on loss on ordinary activities	<u>(70,697)</u>	<u>(84,926)</u>

Factors affecting tax charge for the period

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

	Period Ended 31 December 2020 £	<i>Period Ended 28 November 2019 £</i>
Loss on ordinary activities before tax	<u>(411,330)</u>	<u>(70,961)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(78,153)	(13,483)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	6,899	-
Capital allowances for period in excess of depreciation	7,650	(71,443)
Adjustments to tax charge in respect of prior periods	(5,389)	-
Short term timing difference leading to an increase (decrease) in taxation	(1,704)	-
Total tax charge for the period	<u>(70,697)</u>	<u>(84,926)</u>

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

7. Tangible fixed assets

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 29 November 2019	-	-	142,467	142,467
Impact of change in accounting policy	362,870	8,987	-	371,857
At 29 November 2019 (adjusted balance)	362,870	8,987	142,467	514,324
Disposals	-	-	(12,724)	(12,724)
At 31 December 2020	362,870	8,987	129,743	501,600
Depreciation				
At 29 November 2019	-	-	97,308	97,308
Impact of change in accounting policy	42,335	4,882	-	47,217
At 29 November 2019 (adjusted balance)	42,335	4,882	97,308	144,525
Charge for the period on owned assets	-	-	30,398	30,398
Disposals	-	-	(6,438)	(6,438)
At 31 December 2020	42,335	4,882	121,268	168,485
Net book value				
At 31 December 2020	320,535	4,105	8,475	333,115
At 28 November 2019	-	-	45,159	45,159

The net book value of owned and leased assets included as "Tangible fixed assets" in the Statement of Financial Position is as follows:

	31 December 2020 £	28 November 2019 £
Tangible fixed assets owned	8,475	45,159
Right-of-use tangible fixed assets	324,640	-
	333,115	45,159

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

7. Tangible fixed assets (continued)

Information about right-of-use assets is summarised below:

Net book value

	31 December 2020 £	28 November 2019 £
Property	320,535	-
Motor vehicles	4,105	-
	<u>324,640</u>	<u>-</u>

8. Stocks

	31 December 2020 £	28 November 2019 £
Finished goods and goods for resale	1,838	-
	<u>1,838</u>	<u>-</u>

9. Debtors

	31 December 2020 £	28 November 2019 £
Trade debtors	61,683	429,073
Amounts owed by group undertakings	1,793,758	-
Prepayments and accrued income	12,803	-
Tax recoverable	109,729	41,330
Deferred taxation	11	19,764
	<u>1,977,984</u>	<u>490,167</u>

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

10. Cash and cash equivalents

	31 December 2020 £	<i>28 November 2019 £</i>
Cash at bank and in hand	4,798	1,305,817
	<u>4,798</u>	<u>1,305,817</u>

11. Creditors: Amounts falling due within one year

	31 December 2020 £	<i>28 November 2019 £</i>
Trade creditors	10,415	1,034
Amounts owed to group undertakings	961,323	-
Other taxation and social security	93,477	199,389
Lease liabilities	38,056	-
Accruals and deferred income	604,427	548,652
	<u>1,707,698</u>	<u>749,075</u>

12. Creditors: Amounts falling due after more than one year

	31 December 2020 £	<i>28 November 2019 £</i>
Lease liabilities	293,601	-
	<u>293,601</u>	<u>-</u>

MOTION SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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13. Leases

Company as a lessee

Lease liabilities are due as follows:

	2020 £	2019 £
Not later than one year	38,056	-
Between one year and five years	293,601	-
	<u>331,657</u>	<u>-</u>

14. Deferred taxation

	2020 £
At beginning of year	19,764
Charged to profit or loss	(19,753)
At end of year	<u>11</u>

The deferred tax asset is made up as follows:

	31 December 2020 £	28 November 2019 £
Accelerated capital allowances	(1,610)	(8,288)
Tax losses carried forward	-	24,727
Pension surplus	1,621	-
Remuneration unpaid within 9m	-	3,325
	<u>11</u>	<u>19,764</u>

15. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £44,576 (2019: £27,295). Contributions totalling £8,534 (2019: £9,061 were repayable) were payable to the fund at the end of the year end date.

MOTION SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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16. Related party transactions

As permitted by FRS 101, related party transactions with wholly owned members of Constellation Software Inc. have not been disclosed.

17. Post balance sheet events

Since the year end date the UK has continued to have restrictions around social contact and whether businesses in certain sectors can open. The company has seen an impact with projects being unable to be delivered as sites are closed, although EBITA has not been hugely effected. As restrictions lifted through Q2 2021 we have seen revenues increase.

18. Controlling party

The immediate parent company is Jonas Computing (UK) Limited, a company incorporated in England and Wales.

The largest and smallest group in which the results are consolidated is that headed by Constellation Software Inc. Constellation Software Inc. is also the ultimate controlling party of the Company. The consolidated accounts of Constellation Software Inc. are available to the public and may be obtained from Gary Jonas Computing Ltd, 8133 Warden Ave, Suite 400, Markham, Ontario, Canada, L6G 1B3.