
MAM SOFTWARE LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**



MAM SOFTWARE LIMITED

COMPANY INFORMATION

Directors	D A Liddle I B Bendelow N J Bedford
Registered number	01797213
Registered office	Unit 2a Herongate, Charnham Park, Hungerford, Berkshire, RG17 0YU
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor One Valpy 20 Valpy Street Reading RG1 1AR

MAM SOFTWARE LIMITED

CONTENTS

	Page
Strategic report	1 - 7
Directors' report	8 - 9
Independent auditor's report	10 - 14
Statement of comprehensive income and retained earnings	15
Statement of financial position	16
Notes to the financial statements	17 - 38

MAM SOFTWARE LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Introduction

The objectives of this report are to provide shareholders of MAM Software Limited (the "Company") and other users of these statements with:

- the appropriate level of background context for these financial statements;
- an analysis of the Company's past performance; and
- an insight into the Company's main objectives and strategies, and the principal risks it faces and how they might affect future prospects.

The Company's Objectives and Strategy

The Board sees the main business objective as delivering sustainable, responsible and profitable business growth in order to deliver:

- exceptional software and systems for the Company's current and future customers in the Distributive Trades sector globally;
- excellent levels of innovation and service to our customers;
- challenging yet rewarding careers for the Company's employees; and
- strong growth in shareholder value.

In order to meet its business objectives, the Company's strategy is to:

- maintain proactive customer engagement through the sales and operational teams to ensure customer satisfaction and maintain a strong understanding of customer needs;
- continue to research and develop the Company's software products, tools and services to ensure the most appropriate use of technology and business practice is available to add value to our customers' businesses;
- continue to make appropriate investment in the Company's employees through recruiting the right individuals and then developing staff through clear communication, coaching, mentoring and other training initiatives; and
- continue to invest in the Company's business infrastructure, tools, and other resources to ensure efficient delivery of our products and services.

The Company provides customers the choice of a fully comprehensive end to end service through its market leading ERP software delivered on premise or as Software as a Service ("SaaS"), cloud hosting and disaster recovery services, technology advice, training, consultancy, thought leadership, guidance and advice supported by a long term relationship.

Ultimately flexibility, experience and industry focus allows our business to support the customer to "Run Your Business Your Way".

MAM SOFTWARE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Business Review**Acquisitions**

Since the Group's (Kerridge Commercial Systems Group Limited, "the Group") inception in 2010 the Group has made the following strategic acquisitions:

Acquisition target trading name	Acquired during the year ended 30 September	Principal customer locations	Sector	Acquisition rationale
Kerridge Computer Company	2010	UK, Ireland, South Africa, Netherlands	Distribution	MBO
TIS Software	2011	UK	Distribution	Market share and technology
Datawright	2010	UK	Manufacturing and Field Service	Technology
Dancik International	2015	USA	Distribution	Platform for launch in USA, organically growing customer base and technology
Mincron SBC	2016	USA	Distribution	Platform for launch in USA, organically growing customer base and technology
Integrity Retail	2017	South Africa	Retail	Technology
IQ Retail	2017	Southern Africa	Retail and distribution	Market share and technology
Lakeview	2018	UK	Manufacturing and distribution	Market share and technology
AGP	2018	Netherlands	Distribution	Market share
Electronic Data Processing	2018	UK	Distribution	Market share and technology
inspHire	2018	UK, Netherlands, USA, Australia and South Africa	Hire and rental	Market share and technology
Current-RMS	2018	Global	Hire and rental	Market share and technology
inspHire Australia	2019	Asia-Pacific	Hire and rental	Market share
MAM Software Group Inc	2020	UK, USA	Automotive aftermarket service and distribution	Market share and technology
Virtus NV	2020	Benelux	Distribution	Market share
Unit4 Wholesale BV	2020	Benelux	Distribution	Market share

MAM SOFTWARE LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

During the year, the Group continued to work to integrate the acquisitions made in prior financial years.

Research and development

Our Company's business focus is the design and build of software and supporting IT solutions for our customers so as to improve our customers' efficiency, control processes, transaction visibility, customer service and financial performance.

This is achieved through continual research and development in modern coding languages and platform technologies and careful consideration of customer business needs, business processes and trends in the market. This is continually reflected in the Company's software functionality and its sales, implementation and supporting services to ensure the best possible complete solution is available in the sector.

Summary of financial performance

We are delighted to report another strong performance for the Company in the financial year ended 30 September 2021. The Company has achieved a robust trading performance throughout the Covid-19 pandemic. The Company's high proportion of contractual recurring revenues helped the Company achieve stable and predictable trading and the Company also benefited from increased confidence and non-recurring project spend as our customers continued to adapt to new ways of working during the Covid-19 pandemic.

In the financial year under review the Company generated:

- Turnover of £22.8m (*15 month period ended 2020: £25.1m*); and
- Operating profit before depreciation, goodwill and intangibles amortisation and impairment charges, foreign exchange differences and non-recurring items ("Underlying EBITDA") of £8.2m (*15 month period ended 2020: £6.7m*).

Both turnover and Underlying EBITDA were in line with Board's expectations.

The Company had cash balances of £3.7m (*2020: £4.6m*) at the year end.

Business outlook

In October 2019 the Company's parent company, MAM Software Group Inc and all subsidiaries were acquired by Kerridge Commercial Systems Group. Kerridge Commercial Systems Limited is a privately owned company who provide ERP software solutions into the distributive trade sectors. The combination of complimentary products and customer verticals will allow greater synergies to be realised for both organisations.

The business maintains a positive outlook despite the challenging economic climate at large. Its exposure to a wide geographic market and significant levels of contractual recurring revenue coupled with the highly mission critical nature of the software and services which the Company provides will enhance its ability to achieve return from investments in its products, staff and infrastructure. The directors continually monitor the social, political and economic climates in the principal jurisdictions in which the Company operates in order to identify business risks and opportunities early in order to mitigate and exploit them as or before they arise.

Organic sales growth of contractual recurring revenues continues to be strong and has been achieved from both new and existing customers; all keen to take advantage of the operational benefits provided by the increasing depth in the Company's software solutions and supporting services. The Company continues to offer customers a choice between perpetual, cloud hosted and full SaaS licencing models. In recent years, the Company has seen customer demand shift in favour of cloud hosted and full SaaS licencing models and this has continued during the year ended 30 September 2021 with the majority of new business sold in the current financial year being on a SaaS basis, customers are now clearly favouring this licencing model. This has led to significant growth in recurring revenue in the current financial year and further increased the extent to which total revenue is underpinned by recurring annual contracts.

MAM SOFTWARE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Business outlook (continued)

The Company's software systems are delivered using fast, scalable and resilient platforms with customers being given the choice of own on premise solutions or increasingly deploying systems through SaaS on a fully hosted cloud solution.

As the Company grows, investment levels are maintained in systems, people and experienced management to ensure that customers benefit from continued high levels of customer service delivered using modern, stable and scalable systems. Delivering value to our customers in all aspects of what we do remains a primary driver of business development and that requires continuous investment in our people.

Employees

The Company believes in keeping employees informed and involved in the progression of our business and its performance. Accordingly, the Company maintains regular communications with all staff as well as established consultation processes. During the Covid-19 pandemic, employees' dedication to and support of the business and their ability to work flexibly and maintain productivity, often in challenging circumstances, have been crucial in enabling us to continue to service customers and to meet our objectives over the last year. We thank all our employees for their hard work and tenacity during the challenges presented by the pandemic.

During the last year, the Company has offered additional training to support the unique situation, utilising a 3rd party training provider to offer a range of remote courses. In addition, mental health leadership courses are held regularly to ensure managers are equipped to support everyone in their team.

The Company is an equal opportunity employer and gives equal consideration to any application from any background. Any disabled person is considered on an equal basis where they can adequately fulfil the job. When an existing employee becomes disabled, it is the Company's policy, wherever practical to provide continuing employment under normal terms and provide training and career development.

Going concern

The directors have prepared the Company financial statements on a going concern basis, they do so after having considered the current levels of cash and borrowing facilities available to the Company and key measures of financial and non-financial performance, both in the period immediately prior to the approval of these financial statements and as anticipated in the period ending no less than twelve months after the date of authorisation of these financial statements ("Going Concern Period"). More detail around the factors considered by the directors and the key measures tracked are provided in note 2 to the financial statements.

MAM SOFTWARE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Principal risks and uncertainties

Covid-19 Pandemic

This event continues to be one of the most significant economic shocks for the global economy in recent history. At the date of approval of these accounts its effects continue to impact all levels of society but, as the pandemic progresses the level of associated uncertainty is decreasing as the world takes steps back towards normality.

We are continuing to monitor the progression of the pandemic and, when necessary, we are able to deliver the majority of our services remotely if required including customer support to implementation activities. We are continuing to monitor our supply chain to ensure availability of equipment and materials in order to allow us to continue to deliver high levels of customer service.

Our customers principally operate in the distributive trades, including the construction sector, and in the automotive aftermarket and service sector. Each of these sectors has been deemed a 'key' industry under various lockdown restrictions and, apart from substantial disruption at the beginning of the pandemic, have been able to adapt to new ways of working. Popularity of home improvements, central infrastructure investment to stimulate growth and lack of supply of new motor vehicles are all likely to have benefited our customers. Customers that operate in the event management sector are also benefiting from trade show activities beginning to show signs of return to normality.

Brexit

The UK formally left the EU on 31 January 2020 and the transition period ended on 31 December 2020. During the transition period we monitored key risks and opportunities to assess how we might make changes to our business to ensure we mitigate any risks and maximise the opportunities. To date, Brexit has had limited impact upon our business.

Financial risk management objectives and policies

The Company uses a variety of financial instruments including cash, equity investments and various items, such as trade debtors and trade creditors, which arise directly from its operations. The main purpose of these financial instruments is to provide working capital for the Company's operations.

Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub committee of the Board. The policies set by the board of directors are implemented by the Company's finance department. The directors are of the view that the main risks arising from the Company's financial instruments are foreign exchange rate risk, interest rate risk, liquidity risk and credit risk.

The directors set and review policies for managing each of these risks and they are summarised below.

Foreign exchange rate risk

Exchange rate fluctuation represents a risk because some sales are priced in currencies other than sterling. In addition, the Company's overseas operations continue to grow. The directors do not consider that the potential downside associated with this risk at this stage in the Company's development is of sufficient size to require hedging however due consideration will be given if the risks are sufficiently higher enough to warrant a hedge.

Interest rate risk

The Company has financed its operations through a combination of bank and preference shares and shareholders' funds. The interest rate of the debt funding (which is denominated in sterling, Euro and US Dollar) is variable with relevant 'LIBOR' rates. Given the current level of such borrowings, the directors are of the view that the risk of material interest rate increase is limited. If the level of borrowings and potential for interest rate risk were to increase then the Company would use certain financial instruments to manage that risk by use, for example, of interest rate caps.

MAM SOFTWARE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Liquidity risk

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The funding for significant new ventures is secured before commitments are made. The cash position is reviewed regularly and cash flows are at least monitored monthly.

Credit risk

The Company's principal financial assets are cash and trade debtors. The credit risk associated with cash is limited as the counterparties have high credit ratings assigned by international credit rating agencies. The principal credit risk arises therefore from its trade debtors.

In order to manage credit risk the directors set a policy of monitoring exposure with customers based on a combination of payment history and third party credit references. Exposure levels are reviewed by senior management on a regular basis in conjunction with debt ageing and collection history.

Financial performance of and successful integration of acquisitions

The directors carefully monitor the performance of acquisitions in line with pre-acquisition investment cases. In addition to financial performance, levels of customer and staff retention, customer service, cross selling and migration to common Company systems and processes are also closely monitored.

Financial Key Performance Indicators

The Board uses a range of performance indicators to monitor and manage the business and ensure focus is maintained on the key priorities of the Company.

The Key Performance Indicators ("KPIs"), which are monitored at Board level, have been devised to allow the Board and shareholders to monitor the Company as a whole. The KPIs which the Board currently considers to be the most important are as follows:

	12 months ended 30.09.2021	15 months ended 30.09.2020
Recurring Revenue	£17.2m	£20.2m
Non-recurring Revenue	£5.6m	£4.9m
Total Revenue	£22.8m	£25.1m
Recurring revenue (Note 1) (% of Revenue)	75.4%	80.5%
Gross Profit	£17.6m	£19.2m
Gross Profit (%)	77.2%	76.5%
Underlying EBITDA (Note 2)	£8.2m	£6.7m
Cash balances held at end of period	£3.7m	£4.6m

Note 1 – Revenue from renewable service contracts.

Note 2 – Operating profit before depreciation, goodwill and intangibles amortisation, impairment charges, foreign exchange differences and non-recurring items.

MAM SOFTWARE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Subsequent Events

On 6 October 2021, various of the Group's UK entities entered into agreements to transfer the trade and assets and liabilities to other UK Group entities. Details of the affected entities are provided in note 13. The transfers were part of an ongoing Group rationalisation process and were effective 30 September 2021.

On 11 October 2021 the Company's immediate parent, MAM Software Group inc, merged with Kerridge Commercial Systems (KNC) Limited this entity then changed its name to Kerridge Commercial Systems Corporation.

Both transactions were part of an ongoing Group rationalisation process and were effective 30 September 2021.

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



N J Bedford
Director

Date: 15/3/2022

MAM SOFTWARE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

The directors present their report and the financial statements for the year ended 30 September 2021.

Principal activity

The principal activity of the Company continued to be that of the creation and marketing of computer software products.

Directors

The directors who served during the year were:

D A Liddle
I B Bendelow
N J Bedford

Results and dividends

The results for the year are set out on page 12.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend (2020: £Nil).

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and profit or loss of 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Future developments

Future developments have been discussed in the 'Business Outlook' section of the Strategic report.

MAM SOFTWARE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Post balance sheet events

There have been no significant events affecting the Company since the period end.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



N J Bedford
Director

Date: 15/3/2022



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAM SOFTWARE LIMITED

Opinion

We have audited the financial statements of MAM Software Limited (the 'Company') for the year ended 30 September 2021, which comprise the Statement of comprehensive income and retained earnings, the Statement of financial position 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 30 September 2021 and of its profit for the year 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 'Auditor's 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 are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAM SOFTWARE LIMITED (CONTINUED)

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAM SOFTWARE LIMITED (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

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 Directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement, 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 is 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.

Auditor's 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 an Auditor's report 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 Auditor's report.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAM SOFTWARE LIMITED (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How we obtained an understanding of the legal and regulatory framework

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and industry in which it operates through our commercial and sector experience; making enquiries of management and those charged with governance. We corroborated our enquiries through inspection of the company's board minutes and other relevant correspondence received by the Company from its external advisors and other external organisations.

Which laws and regulations we identified as being significant in the context of the Company

- Through the understanding that we obtained, we determined that the most significant legal and regulatory frameworks which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks including 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); the Companies Act 2006; and the relevant taxation legislation.

How we assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by considering management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to the estimation and judgmental areas with a risk of fraud, including potential management bias, of revenue recognition and through management override of controls.
- Our audit procedures included:
 - Making enquiries of management concerning the Company's policies and procedures relating to the identification, evaluation and compliance with laws and regulations, the detection and response to the risks of fraud and the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations. We also enquired with management and those charged with governance whether they were aware of any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual, suspected, or alleged fraud.
 - Gaining an understanding of the controls that management has in place to prevent and detect fraud;
 - Using data interrogation software and our understanding of the Company to identify and test large or unusual journal entries which may indicate a higher risk of fraud;
 - Challenging significant accounting assumptions, estimates and judgements made by management, including those relevant to the areas of revenue recognition;
 - Gaining an understanding of and testing significant identified related party transactions;
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item; and



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAM SOFTWARE LIMITED (CONTINUED)

- Performing audit procedures to consider the compliance of disclosures in the financial statements with applicable financial reporting requirements.
- Our audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

How we assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations

- Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
- Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
- Knowledge of the industry in which the Company operates; and
- Understanding of the relevant legal and regulatory requirements specific to the company including: the provisions of the applicable legislation; the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules; and the applicable statutory provisions.

Which matters about non-compliance with laws and regulations and fraud were communicated with the audit team

- Communications within the audit team in respect of potential non-compliance with laws and regulations and fraud, included the potential for fraud in relation to the estimation and judgmental areas with a risk of fraud of revenue recognition and through management override of controls in the preparation of the financial statements.

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 an Auditor's report 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.

Grant Thornton UK LLP

Paul Holland BSc BFP FCA
Senior statutory auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Reading
Date: 15/3/2022

MAM SOFTWARE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	30 September 2021 £000	15 month period ended 30 September 2020 £000
Turnover	4	22,789	25,130
Cost of sales		(5,224)	(5,881)
Gross profit		17,565	19,249
Administrative expenses		(9,499)	(13,031)
Other operating income	5	-	37
Operating profit	6	8,066	6,255
Interest payable and similar expenses		-	(55)
Profit before tax		8,066	6,200
Tax on profit	11	(1,318)	(1,161)
Profit after tax		6,748	5,039
Retained earnings at the beginning of the year		25,888	20,849
		25,888	20,849
Profit for the year		6,748	5,039
Retained earnings at the end of the year		32,636	25,888

There were no recognised gains and losses for 2021 or 2020 other than those included in the Statement of comprehensive income and retained earnings.

The notes on pages 17 to 38 form part of these financial statements.

MAM SOFTWARE LIMITED
REGISTERED NUMBER:01797213

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	12	306	218
Investments	13	783	783
		<u>1,089</u>	<u>1,001</u>
Current assets			
Stocks	14	207	166
Debtors: amounts falling due within one year	15	34,237	27,337
Cash at bank and in hand	16	3,717	4,582
		<u>38,161</u>	<u>32,085</u>
Creditors: amounts falling due within one year	17	(6,567)	(7,188)
Net current assets		<u>31,594</u>	<u>24,897</u>
Total assets less current liabilities		<u>32,683</u>	<u>25,898</u>
Provisions for liabilities			
Deferred tax	19	(47)	(10)
		<u>(47)</u>	<u>(10)</u>
Net assets		<u><u>32,636</u></u>	<u><u>25,888</u></u>
Capital and reserves			
Called up share capital	20	-	-
Profit and loss account	21	32,636	25,888
		<u>32,636</u>	<u>25,888</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15/3/2022


N J Bedford
Director

The notes on pages 17 to 38 form part of these financial statements.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1. General information

MAM Software Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at Unit 2a Herongate, Charnham Park, Hungerford, Berkshire, England, RG17 0YU.

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 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006, as such these financial statements present information about the Company as an individual undertaking and not about its group. Details of the group are included in the consolidated financial statements of Kerridge Commercial Systems Group Limited as at 30 September 2021 and these financial statements may be obtained from Companies House.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Kerridge Commercial Systems Group Limited as at 30 September 2021 and these financial statements may be obtained from Unit 2a Herongate, Charnham Park, Hungerford, Berkshire, RG17 0YU.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared under the going concern basis. The directors have prepared forecasts, including relevant sensitivity and downside scenario analyses, to assess the future financing requirements of the Company, and wider Group, after considering levels of contractual revenues and renewal and reoccurrence rates, orders backlog, new order run rate, sales pipeline and employee costs and other operating costs.

Based on the work undertaken, the directors are satisfied that sufficient cash facilities are secured from cash on hand, available borrowing facilities and cash inflows from forecast trading to meet the Company's and Group's working capital requirements for a period ending not less than 12 months after the signature of these financial statements. The directors therefore consider it appropriate for the financial statements to be prepared on a going concern basis.

2.4 Foreign currency translation

Functional and presentation currency

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

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 and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.5 Revenue

Revenue income represents services supplied during the year after deducting trade discounts and value added tax.

Revenue from ordinary activities includes sales of software licenses, instillation, consultancy support, training services and maintenance.

Revenues from software licence sales are recognised on delivery to a customer, when there are no significant vendor obligations remaining and the collection of the resulting receivable is considered probable. In instances where significant vendor obligations exist, revenue recognition is delayed until the obligation has been satisfied. Revenues from maintenance contracts are recognised on a straight line basis over the period of the contract. Revenues from installation training services and consultancy support are recognised when the services are performed. Revenue from subscription agreements contain a mix of both software license and maintenance, these are recognised over a straight line basis across the term of the contract.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income and retained earnings in the same period as the related expenditure.

2.7 Research and development

Research and development costs are expensed through the Statement of comprehensive income and retained earnings as incurred.

Prior to the acquisition by Kerridge Commercial Systems Group the Company policy was to capitalise expense as incurred and amortise over the assets life. Historic balances have been expensed and any amortisation reversed in the current year to align with the Group approach.

There has been a change in accounting policy to align with Group and take all development costs through operating expenses, whereas previously, these costs have been capitalised. Please see note 26 which shows the financial statement impact.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.8 Pensions

Defined contribution plan

The Company operates a defined contribution plan, a pension plan under which the Company pays fixed contributions into a separate entity. The assets of the plan are held separately from the Company in independently administered funds and once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings 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 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.10 Finance costs

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

2.11 Current and deferred taxation

The tax expense for the year 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.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.12 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.

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.

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:

Long-term leasehold property	- length of lease
Office equipment	- 2 to 5 years

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.

2.13 Impairment of fixed assets, goodwill and other intangible assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.15 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 comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing stocks to their present location and condition. 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.

2.16 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.

2.17 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.

2.18 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.19 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.

2.20 Holiday pay accrual

A liability is recognised to the extent of unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.21 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.22 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of financial position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires 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 these 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 or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in the Statement of comprehensive income and retained earnings, when, and if, better information is obtained.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment within the next financial year are included below.

Critical judgements that management has made in the process of applying accounting policies disclosed herein and that have a significant effect on the amounts recognised in the financial statements relates to the following:

Estimated impairment of investment in subsidiaries

The Company tests, when there are indicators of impairment, whether investments have suffered any impairment, in accordance with its accounting policies. The recoverable amounts of cash generating units have been determined by discounting estimated future cash flows for the time value of money to arrive at estimates of value in use. Each of the components of the value in use calculation (the cash flow, the duration of the cash flow, the discount rate) requires the use of estimates. Because of this, in concluding upon the reasonableness of the final estimate of value in use, the directors use sensitivity analysis to consider the impact of variability in inputs to the calculation.

Impairment of trade, inter-company and other debtors

The Company make an estimate of the recoverable value of trade, inter-company and other debtors. When assessing the impairment of trade, inter-company and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

4. Turnover and other revenue

An analysis of turnover by class of business is as follows:

	30 September 2021 £000	<i>15 month period ended 30 September 2020 £000</i>
Services	18,234	21,361
Licensing of IP	429	552
Sale of goods	398	610
Other	689	708
Related parties	3,039	1,899
	<u>22,789</u>	<u>25,130</u>

Analysis of turnover by country of destination:

	30 September 2021 £000	<i>15 month period ended 30 September 2020 £000</i>
United Kingdom	18,969	24,203
Rest of the world	3,820	927
	<u>22,789</u>	<u>25,130</u>

5. Other operating income

	30 September 2021 £000	<i>15 month period ended 30 September 2020 £000</i>
Government grants receivable - furlough income	-	37
	<u>-</u>	<u>37</u>

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

6. Operating profit

The operating profit is stated after charging:

	30 September 2021 £000	<i>15 month period ended 30 June 2020 £000</i>
Foreign exchange (gains)/losses	33	(71)
Operating lease charges	191	388
Share based payment	-	268
	<u> </u>	<u> </u>

7. Auditor's remuneration

Fees in respect of audit and taxation have been borne by other group companies.

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the group accounts of the parent Company.

8. Employees

Staff costs were as follows:

	30 September 2021 £000	<i>15 month period ended 30 September 2020 £000</i>
Wages and salaries	5,838	7,512
Social security costs	653	1,026
Pension costs	151	197
	<u> </u>	<u> </u>
	<u>6,642</u>	<u>8,735</u>

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

8. Employees (continued)

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

	30 September 2021 No.	<i>15 month period ended 30 September 2020 No.</i>
Sales and administration staff	18	31
Operations staff	55	60
Technical staff	69	66
	142	157

9. Directors' remuneration

During the financial year, no directors received any emoluments and no pension contributions were made on behalf of the directors (*prior 15 month period: 2*).

The directors were remunerated through one of the wider group companies, Kerridge Commercial Systems (Bidco) Limited, and so there have been no charges with this Company during the financial period.

During the year no directors (*previous 15 month period: 2*) were entitled to receive shares under long term incentive schemes.

10. Interest payable and similar expenses

	2021 £000	<i>15 month period ended 30 September 2020 £000</i>
Interest on bank overdrafts and loans	-	55

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

11. Taxation

	30 September 2021 £000	<i>15 month period ended 30 September 2020 £000</i>
Corporation tax		
Current tax on profits for the year	1,422	1,167
Adjustments in respect of previous periods	(140)	-
Total current tax	<u>1,282</u>	<u>1,167</u>
Deferred tax		
Origination and reversal of timing differences	36	(6)
Total deferred tax	<u>36</u>	<u>(6)</u>
Taxation on profit on ordinary activities	<u>1,318</u>	<u>1,161</u>

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

11. Taxation (continued)**Factors affecting tax charge for the year/period**

The tax assessed for the year/period is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	30 September 2021 £000	<i>15 month period ended 30 September 2020 £000</i>
Profit on ordinary activities before tax	8,066	6,200
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,533	1,178
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	-	7
Fixed asset differences	-	7
Non-taxable income	-	(31)
Capital allowances for the year in the excess of depreciation	(6)	-
Adjustments to tax charge in respect of prior periods	(140)	-
Change in tax rate for deferred tax	11	-
Deferred tax not recognised	4	-
Group relief claimed/surrendered	(84)	-
Total tax charge for the year/period	1,318	1,161

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

12. Tangible fixed assets

	Leasehold property £000	Office equipment £000	Total £000
Cost or valuation			
At 1 October 2020	276	870	1,146
Additions	5	141	146
Hive up posting	-	2	2
Disposals	-	(384)	(384)
At 30 September 2021	<u>281</u>	<u>629</u>	<u>910</u>
Depreciation			
At 1 October 2020	143	785	928
Charge for the year on owned assets	13	44	57
Hive up posting	-	2	2
Disposals	-	(383)	(383)
At 30 September 2021	<u>156</u>	<u>448</u>	<u>604</u>
Net book value			
At 30 September 2021	<u><u>125</u></u>	<u><u>181</u></u>	<u><u>306</u></u>
At 30 September 2020	<u><u>133</u></u>	<u><u>85</u></u>	<u><u>218</u></u>

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

13. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 October 2020 and at 30 September 2021	783

Subsidiary undertakings

All subsidiary undertakings are controlled by Kerridge Commercial Systems Group Limited and their results are fully consolidated within those financial statements.

Investments held directly by MAM Software Limited with 100% voting rights. Capital comprises of ordinary shares or common stock.

Name	Country of incorporation/ registered office address key (i)
Origin Software Solutions Limited(a)	United Kingdom/A
(a) Hived up into parent on 6 October 2021 (effective 30 September 2021); entity now dormant	
(i) Registered office A: 2a Herongate, Hungerford, RG17 0YU	

14. Stocks

	2021 £000	30 September 2020 £000
Finished goods and goods for resale	207	166

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

15. Debtors

	2021	<i>30</i> <i>September</i>
	£000	2020 £000
Trade debtors	2,118	1,990
Amounts owed by group undertakings	31,683	24,854
Other debtors	31	5
Prepayments and accrued income	405	488
	<u>34,237</u>	<u>27,337</u>

16. Cash and cash equivalents

	2021	<i>30</i> <i>September</i>
	£000	2020 £000
Cash at bank and in hand	3,717	4,582
	<u>3,717</u>	<u>4,582</u>

17. Creditors: Amounts falling due within one year

	2021	<i>30</i> <i>September</i>
	£000	2020 £000
Trade creditors	687	725
Amounts owed to group undertakings	2,988	2,208
Corporation tax	932	1,049
Other taxation and social security	403	1,761
Other creditors	45	37
Accruals and deferred income	1,512	1,408
	<u>6,567</u>	<u>7,188</u>

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

18. Financial instruments

	2021 £000	2020 £000
Financial assets		
Cash at bank and in hand	3,717	4,582
Financial assets that are debt instruments measured at amortised cost	33,833	27,014
	37,550	31,596
Financial liabilities		
Financial liabilities measured at amortised cost	4,470	(3,775)
	4,470	(3,775)

Financial assets measured at amortised cost comprise of trade debtors, other debtors, amounts owed by group companies and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, amounts due to group companies, bank loans and accruals.

19. Deferred taxation

	2021 £000	2020 £000
At beginning of year	(10)	(17)
Charged to profit or loss	(37)	7
At end of period	(47)	(10)

There is no expiry date on the deferred tax liabilities.

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for the financial reporting purposes:

	2021 £000	30 September 2020 £000
Accelerated capital allowances	(47)	(10)
	(47)	(10)

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

20. Share capital

	2021	30 September 2020
	£	£
100 (2020: 100) Ordinary share capital shares of £1 each	<u>100</u>	<u>100</u>

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

21. Reserves**Profit and loss account**

Includes all current and prior periods retained profits and losses.

22. Contingent liabilities

The Company is part of a Group cross guarantee in respect of bank loans held by Kerridge Commercial Systems (Bidco) Limited and Kerridge Commercial Systems US Holdco Inc. The total amount due at 30 September 2020 by the Group is £104,189,000, €41,252,000 and \$76,936,000 (2020: £111,689,000, €41,252,000 and \$76,936,000).

23. Pension commitments

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

24. Commitments under operating leases**Lessee**

At the reporting end date the Company had outstanding commitments for the future minimum lease payments under non-cancellable operating leases, which falls due as follows:

	2021	30 September 2020
	£000	£000
Within one year	184	193
Between two and five years	721	717
In over five years	254	435
	<u>1,159</u>	<u>1,345</u>

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

25. Share-based payment transactions

As at 21 October 2019 MAM Software Group, inc and its subsidiaries merged with Chickadee Holdings, inc (a subsidiary of Kerridge Commercial Systems Group Limited). At this time all shares based payment awards were vested and settled.

All awards vest in equities of the Company's parent, MAM Software Group Inc. As such they are all treated as cash-settled in accordance with FRS 102.

The Company no longer grants share based awards to employees.

Prior to this, the Company granted share-based awards to employees principally on the following basis:

Date of award	Eligible employees	Nature of award
May 2008	Senior employees	Awards of shares that are not registered with the Securities and Exchange Commission and not freely tradable
June 2009	Senior employees	Awards of shares that are not registered with the Securities and Exchange Commission and not freely tradable
April 2010	Senior employees	Award of shares
November 2010	Senior employees	Option to buy shares under EMI share option contracts
August 2011	Senior employees	Option to buy shares under EMI share option contracts
August 2012	Senior employees	Option to buy shares under EMI share option contracts
October 2017	Senior employees	Award of shares under the 2017 Equity Incentive Plan where the parent Company's previous 30-day volume weighted average price per share trades at or above certain levels

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

25. EMI Share option contracts (continued):

	2021	Shares	2020	
	Average	under	Average	Shares
	exercise	option	exercise	under option
	price	('000)	price	('000)
	\$		\$	
At 1 July	-	-	0.65	50,125
Options exercised	-	-	-1.94	(50,125)
At 30 September	-	-	1.09	50,125

Options are exercisable within 10 years of the Date of Grant and only while the Option Holder holds employment with any member of the MAM Software Group Inc. Group.

26. Change in accounting policy

There was a change in accounting policy in 2020 to align with Group and take all development costs through operating expenses, whereas previously, these costs have been capitalised.

The amount of the adjustment for each financial statement line item affected, for the prior period, has been disclosed below.

	2021	2020
	£000	£000
Financial statement line item		
Intangibles	-	(2,890)
Deferred tax liability	-	630
Administrative expenses	-	(423)
Deferred tax charge	-	(32)
Reserves bought forward	-	2,715

27. Related party transactions

The Company has taken advantage of the exemption in FRS 102 not to disclose transactions with wholly owned members of the Group. There are no other related party transactions to disclose.

MAM SOFTWARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

28. Post balance sheet events

On 6 October 2021, Origin Software Solutions Limited entered into an agreement with the Company to transfer the trade and assets and liabilities to other UK Group entities. The transfers were effective 30 September 2021.

On 12 October 2021, MAM Software Group Inc entered into an agreement to merge into Kerridge Commercial Systems (KNC) Limited and that entity changed its name to Kerridge Commercial Systems Corporation. This resulted in Kerridge Commercial Systems Corporation becoming the Company's immediate parent.

Both events were part of an ongoing Group rationalisation process.

29. Controlling party

The Company's immediate parent is MAM Software Group Inc, a company registered in Philadelphia, USA; the ultimate parent undertaking is Kerridge Commercial Systems Group Limited, registered in England and Wales.

The largest and smallest Group of which the Company is a member and for which Group financial statements are drawn up is headed by Kerridge Commercial Systems Group Limited. Copies of the financial statements of that entity are available from Companies House.

The ultimate controlling party is considered to be funds managed by Accel-KKR Management Company LLC.