

UNIT4 Business Software Limited

Report and Financial Statement

31 December 2013

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24/07/2014

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COMPANIES HOUSE

Directors

Anwen Robinson
Claire Bishop
David Harwood
Darren I Hunt
Gonçalo Leitão
Paul Vogel

Secretary

Claire Bishop

Auditors

Ernst & Young LLP
The Paragon
Counterslip
Bristol
BS1 6BX

Bankers

ING Bank
60 London Wall
London
EC2M 5TQ

Solicitors

Lyons Davidson
Bridge House
48-52 Baldwin Street
Bristol
BS1 1QD

Registered office

St George's Hall
Easton-in-Gordano
Bristol
BS20 0PX

Directors' report

Registered Number 01737985

The directors present their report and financial statements for the year ended 31 December 2013.

Principal activity

The principal activity of the company continues to be the provision of business information software and solutions.

Directors

The present membership of the Board is as listed on page 1. The directors who served during the year and up to the date of this report were:

Anwen Robinson
Arie Van Marion (resigned 30 June 2014)
Claire Bishop
David Harwood
Darren I Hunt
Gonçalo Leitão (appointed 24 June 2014)
Paul Vogel (appointed 19 May 2014)

Directors' qualifying third party indemnity provision

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are not aware; and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

Post balance sheet events and future outlook

On 21 March 2014, UNIT4 N.V., the ultimate parent Company and controlling party of UNIT4 Business Software Limited, announced that Advent International Corporation had acquired the majority of shares in UNIT4 N.V. and therefore has control over the company and the group. The listing and trading of the company's shares on Euronext Amsterdam was terminated in April 2014.

Directors' report (continued)

Equal Opportunity for Members of staff

The directors are fully committed to promoting and implementing equal opportunities for all staff. Policies have been established which will ensure that no member of staff or job applicant receives less favourable treatment on the grounds of sex, sexual orientation, race, colour, nationality, ethnic or national origin, religion or philosophical belief, disability, gender identity / reassignment, marital status, family circumstance or age, or be disadvantaged by conditions or requirements that cannot be shown to be justifiable.

Employee Information

The directors are committed to two-way communication between staff and the Board, and utilities a variety of methods to achieve this.

Supplier payment policy

UNIT4 Business Software Limited agrees terms and conditions with suppliers in advance. The company pays its creditors on a pay on time basis which varies according to the type of product and suppliers' own terms.

At 31 December 2013, the company had an average of 26.7 days purchases owed to trade creditors (2012: 17.5 days).

Political and charitable donations

There were no political donations during the year (2012: £nil).

Donations of £26,902 were made to charitable projects in the year (2012: £28,135).

Research and development

The company is engaged in research and development for the ongoing technological advancement of its products for business management. The costs of research and development are written off as incurred.

Dividends

During the year the company received a dividend of £59.5m (2012: £nil). In March 2013, the directors proposed and paid a dividend of £20m (2012: £31.8m).

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the company.

By order of the Board on



A Robinson
Director
10 July 2014

Strategic report

Results and dividends

The company made a profit for the year after taxation of £66.3m (2012: £4.4m) which included a dividend received of £59.5m (2012: £nil). In March 2013, the directors proposed and paid a dividend of £20m (2012: £31.8m).

Principal activity and review of the business

The principal activity of the company continues to be the provision of business information software and solutions.

The company's key financial and other performance indicators during the year are shown below:

	2013	2012	Change	
	£'m	£'m		%
Turnover	67.8	62.8	+	7.96
Gross Profit	47.9	46.8	+	2.35
Operating Profit	10.6	8.4	+	26.19
EBITDA	13.7	11.5	+	19.13
Borrowings	60.0	70.0	-	14.29
Shareholders' funds	117.7	71.4	+	64.85
Average number of employees	563	564	-	0.18

Turnover increased in all types of revenue; Licence revenue by £2.3m (21.8%), Maintenance revenue by £2.0m (11.7%) and Services revenue by £0.7m (2.0%). Cost of Sales increased from £16.0m in 2012 to £19.9m in 2013 resulting in an overall increase in Gross Profit of £1.1m (2.4%)

Going Concern

After making enquiries and reviewing results and forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence in the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

Strategic report (continued)

Business risks

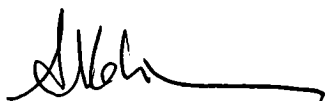
In terms of cash balances and borrowings, UNIT4 N.V. manages cash centrally via a pooling account with the immediate parent undertaking, UNIT4 Business Software Holding B.V.

Following the acquisition of CODA plc (now CODA Limited) in February 2008, the company has indebtedness to another group company in the amount of £60m (2012: £70m). A partial repayment of £10m was made in March 2013 and a further £10m repayment was made in January 2014. The terms of the agreement require an annual payment towards the interest payable due in January each year with the final balance on the loan due for repayment on 31 December 2018. The company is fully supported by UNIT4 N.V. and will utilise both its own resources and those of CODA Limited and its subsidiaries in the satisfaction of the interest payable on the group loan.

Competitive risks are a continuing factor for the company. The software industry is highly competitive and the company puts strong emphasis on excellent service levels, the quality of the product and competitive pricing to grow the customer base and maintain the position within the market.

Although the directors recognise the constraints on the public sector spending, they consider that the company will not be adversely affected as it operates across a balanced spread of business sectors.

By order of the Board on



A Robinson
Director
10 July 2014

Statement of directors' responsibilities in respect of the financial statements

Registered Number 01737985

The directors are responsible for preparing the Directors' report, the Strategic 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). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records that 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.

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.

Independent auditors' report

To the members of UNIT4 Business Software Limited

We have audited the financial statements of UNIT4 Business Software Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in the Shareholders' Funds, the Balance Sheet and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and the Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implication for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.

Independent auditors' report (continued)

To the members of UNIT4 Business Software Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Ernst & Young LLP

Jane Barwell (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Bristol

Date: 15 July 2014

Profit and Loss Account

For the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
Turnover	2	67,829	62,816
Cost of Sales		(19,917)	(16,028)
Gross Profit		47,912	46,788
Administrative expenses		(37,267)	(38,416)
Operating Profit	3	10,645	8,372
Net financial expenses	6	(1,203)	(1,848)
Investment income		59,473	-
Profit on disposal of investment	10	-	2
Profit on ordinary activities before taxation		68,915	6,526
Tax on profit on ordinary activities	7	(2,593)	(2,108)
Profit retained for the financial year	14	66,322	4,418

All operations are continuing.

Statement of total recognised gains and losses

There are no recognised gains and losses other than the profit attributable to shareholders of the company of £66,322,000 in the year ended 31 December 2013 (2012: £4,418,000).

Reconciliation of movements in the shareholders' funds

For the year ended 31 December 2013

	2013 £'000	2012 £'000
Profit retained for the financial year	66,322	4,418
Dividends paid	(20,000)	(31,800)
Net addition/(reduction) to shareholders' funds	46,322	(27,382)
Opening shareholders' funds	71,387	98,769
Closing shareholders' funds	117,709	71,387

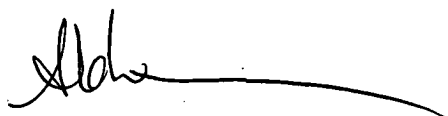
UNIT4 Business Software Limited

Balance Sheet

As at 31 December 2013

		2013		2012	
	Notes	£'000	£'000	£'000	£'000
Fixed Assets					
Tangible fixed assets	8	7,031		7,360	
Intangible fixed assets	9	17,320		19,259	
Investments	10	142,649		142,649	
			167,000		169,268
Current Assets					
Debtors: amounts falling due within one year	11	40,022		59,510	
Cash at bank and in hand		51		682	
		40,073		60,192	
Creditors : amounts falling due within one year	12	(29,364)		(88,073)	
Net Current assets /(liabilities)			10,709		(27,881)
Total assets less current assets			177,709		141,387
Creditors : amounts falling due in more than one year	12		(60,000)		(70,000)
Net Assets			117,709		71,387
Capital and Reserves					
Called up share capital	13		51,565		51,565
Profit and loss account	14		66,144		19,822
Equity shareholders' funds	14		117,709		71,387

The accounts were approved by the Board of directors on 10 July 2014 and were signed on its behalf by:



A Robinson
Director

Notes to the Financial Statements

For the year ended 31 December 2013

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, and in accordance with applicable Accounting Standards.

Going Concern

After reviewing the results and forecast of the company, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence in the foreseeable future and accordingly, they continue to adopt the going concern basis in preparing the accounts.

Basis of consolidation

The company has taken advantage of the exemption under s.401 of the Companies Act 2006 not to prepare consolidated financial statements as it is a wholly owned subsidiary of UNIT4 N.V., an EEC parent which prepares consolidated financial statements that are publically available (note 19). These financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash flow statement

The directors have taken advantage of the wholly owned subsidiary company exemption of Financial Reporting Standard No 1 (Revised) and thus a cash flow statement has not been published. A consolidated cash flow statement is included in the consolidated financial statements of UNIT4 N.V..

Turnover

All turnover is stated net of value added tax and represents amounts invoiced to third parties. Additional conditions apply to revenue recognition on software sales and software maintenance contracts.

Revenue arising from software sales is recognised when an order or contract is in place, delivery (or customer acceptance) has occurred, and collectability is probable.

In cases where software requires significant modification or customisation, turnover represents the sales value of work done in the period, including estimates in respect of amounts not invoiced. The profit included is calculated to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Revenue arising from software maintenance contracts is credited to the profit and loss account over the period to which those contracts relate.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Any differences are taken to the profit and loss account.

Notes to the Financial Statements

For the year ended 31 December 2013

1. Accounting policies (continued)

Tangible fixed assets

Depreciation is calculated so as to write off the cost of tangible assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned as follows:-

Freehold premises	over 50 years
Leasehold premises	over term of lease
Leasehold improvements	over term of lease
Computer Systems	2 to 5 years
Fixtures and fittings	2 to 10 years

Intangible fixed assets

There are four classes of intangible fixed assets.

Customer contracts acquired on the acquisition of pFACT, MicroComputer Associates Limited and CODA GB Limited are amortised so as to write off the cost, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. Customer contracts relating pFACT have been fully amortised. For contracts relating to MicroComputer Associates Limited and CODA GB Limited the period is 20 years.

Software Development costs on the acquisition of MicroComputer Associates Limited are amortised so to write off the cost, on a straight-line basis over the expected useful economic life of the products developed, which is considered to be 20 years.

Goodwill relates to the purchase of CODA related businesses from CODA IT Services Limited and businesses (excluding Intellectual Property Rights) from CODA Group Holdings Limited in 2008. The goodwill represents the excess of the consideration given over the fair value of the identifiable net assets acquired. Amortisation is calculated so as to write off this value on a straight line basis over the useful economic life of 20 years.

The intellectual property rights of the product Business Collaboration will be amortised on a straight line basis over a 5 year period, which is considered to be the expected useful economic life of the product.

Investments

Investments in subsidiaries are held at cost and reviewed annually for impairment.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there would be suitable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the Financial Statements

For the year ended 31 December 2013

1. Accounting policies (continued)

Pensions

The company operates three defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Leased assets

All leases are operating leases and the annual rentals are charged to operating profit on a straight-line basis over the lease term.

Research and development

Research and development expenditure is written off as incurred.

2. Turnover

The turnover, which is stated net of value added tax, represents the value of the sales of software, hardware and services to third parties and includes, where the outcome can be assessed with reasonable certainty, amounts invoiced during the course of contracts.

The turnover split by geographic area is as follows:

	2013 £'000	2012 £'000
United Kingdom	64,154	57,607
Rest of Europe	2,424	4,093
Rest of World	1,251	1,116
	<u>67,829</u>	<u>62,816</u>

3. Operating profit

	2013 £'000	2012 £'000
This is stated after charging/(crediting)		
Depreciation of owned fixed assets	1,097	1,169
Amortisation of intangible fixed assets	1,939	1,938
Auditors' remuneration - audit services	61	60
Operating lease costs - land and buildings	449	441
- plant and machinery	104	194
Loss on sale of fixed assets	5	5
Net (gain)/loss on foreign exchange	(55)	178
	<u></u>	<u></u>

Notes to the Financial Statements

For the year ended 31 December 2013

4. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2013 £'000	2012 £'000
Emoluments	831	879
Company pension contributions to money purchase schemes	<u>40</u>	<u>43</u>

The numbers of directors who are accruing benefits under company pension schemes is 5 (2012: 5)

In addition, remuneration for Arie van Marion is paid by UNIT4 Business Software Holdings B.V., another company within the group. A holding services charge of £1,757,127 (2012: £2,670,686) has been made by UNIT4 Business Software Holdings B.V. in respect of administration and other costs, including this remuneration. It is not possible to identify the amount relating to his remuneration separately.

The amounts in respect of the highest paid director are as follows:

	2013 £'000	2012 £'000
Emoluments	330	257
Company pension contributions to money purchase schemes	<u>14</u>	<u>13</u>

5. Staff costs

The average monthly number of employees (including directors) during the year was:

	2013 No.	2012 No.
Sales and marketing	94	93
Technical	440	444
Finance and administration	29	27
	<u>563</u>	<u>564</u>

	2013 £'000	2012 £'000
Wages and salaries	27,793	27,223
Social security costs	3,330	3,319
Other pension costs	<u>1,550</u>	<u>1,468</u>
	<u>32,673</u>	<u>32,010</u>

Termination costs of £205,449 (2012: £270,208) are included under Wages and salaries.

Notes to the Financial Statements

For the year ended 31 December 2013

6. Net financial expenses

	2013 £'000	2012 £'000
Bank interest receivable	73	99
Interest payable to group companies	(1,276)	(1,947)
	<u>(1,203)</u>	<u>(1,848)</u>

7. Tax on profit on ordinary activities

(a) The tax charge for the year comprises:

	Notes	2013 £'000	2012 £'000
<i>UK corporation tax</i>			
Current tax charge on results for the year		2,618	2,123
Adjustment in respect of previous years		(74)	(40)
Total current tax	7 (b)	<u>2,544</u>	<u>2,083</u>
Deferred tax – current year	7 (d)	54	(64)
Deferred tax – prior year	7 (d)	<u>(5)</u>	<u>89</u>
Tax on profit on ordinary activities		<u>2,593</u>	<u>2,108</u>

(b) Factors affecting the current tax charge for the year

The tax assessed in each year varies from the standard rate of corporation tax in the UK in the relevant years. The differences are explained below:

	Notes	2013 £'000	2012 £'000
Profit on ordinary activities before tax		<u>68,915</u>	<u>6,526</u>
Tax at standard rate of 23.25% (2012: 24.5%)		16,020	1,599
<i>Effects of:</i>			
Non-deductible expenses		462	442
Non-deductible income from dividends		(13,827)	-
Depreciation in excess of capital allowances		(40)	94
Other short term timing differences		3	(12)
Adjustment to tax in respect of previous periods		(74)	(40)
Current tax charge for the year	7 (a)	<u>2,544</u>	<u>2,083</u>

Notes to the Financial Statements

For the year ended 31 December 2013

7. Tax on profit on ordinary activities (continued)

(c) Factors affecting the tax charge in future years

Non-deductible expenses in 2008 and later years will continue in relation to the MCA acquisition and CODA acquisition. In addition, interest relating to the purchase of CODA has resulted in an increased level of tax deductible interest expenses.

(d) Deferred tax asset

	Notes	2013 £'000	2012 £'000
Accelerated capital allowances		150	198
Other short term timing differences		37	38
		<u>187</u>	<u>236</u>
As at 1 January		236	261
Charged to profit and loss account	7 (a)	(49)	(25)
		<u>187</u>	<u>236</u>
As at 31 December			

Following announcements in the Budget of March 2012, the full rate of corporation tax was reduced by a further 1% to 24% for the year starting 1 April 2013. Proposed rate reductions in the March 2013 budget announcement, will ultimately bring the corporation tax rate down to 20% by 2015. At the balance sheet date, deferred tax is recognised at 21% and if that rate were reduced to 20% the effect would be to reduce the recognised deferred tax asset from £187,000 to approximately £163,000.

Notes to the Financial Statements

For the year ended 31 December 2013

8. Tangible fixed assets

	<i>Fixtures & Fittings</i>	<i>Computer Systems</i>	<i>Leasehold improvements</i>	<i>Leasehold & Freehold Premises</i>	<i>Total</i>
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 Jan 2013	1,691	6,313	234	5,956	14,194
Additions	74	670	18	11	773
Disposals	(213)	(1,429)	-	-	(1,642)
At 31 Dec 2013	1,552	5,554	252	5,967	13,325
Depreciation:					
At 1 Jan 2013	1,064	5,356	194	220	6,834
Charge for the year	199	745	15	138	1,097
Disposals	(208)	(1,429)	-	-	(1,637)
At 31 Dec 2013	1,055	4,672	209	358	6,294
Net book value:					
At 31 Dec 2013	497	882	43	5,609	7,031
At 31 Dec 2012	627	957	40	5,736	7,360

Notes to the Financial Statements

For the year ended 31 December 2013

9. Intangible fixed assets

	<i>Customer contracts</i>	<i>Acquired software development</i>	<i>CODA Goodwill</i>	<i>Business Collaboration IP</i>	<i>Total</i>
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 Jan 2013 and 31 Dec 2013	14,179	1,250	19,054	825	35,308
Amortisation and Impairment:					
At 1 Jan 2013	3,739	421	11,724	165	16,049
Charge for the year	700	63	1,011	165	1,939
At 31 Dec 2013	4,439	484	12,735	330	17,988
Net book value:					
At 31 Dec 2013	9,740	766	6,319	495	17,320
At 31 Dec 2012	10,440	829	7,330	660	19,259

Notes to the Financial Statements

For the year ended 31 December 2013

10. Investments

Shares in group undertakings

£'000

At 1 Jan 2013 and 31 Dec 2013

142,649

UNIT4 Business Software Limited owns 100% of the share capital of the following companies:
(* denotes companies held directly by UNIT4 Business Software Limited)

<i>Subsidiary undertakings</i>		<i>Country of Registration or Incorporation</i>	<i>Principal Activity</i>	<i>Class of shares held</i>
CODA Limited	*	England and Wales	Holding Company	Ordinary
CODA Group International Limited		England and Wales	Software sales	Ordinary

CODA Limited owns 100% of the share capital of CODA Group International Limited.

CODA Group International Ltd owns 100% of the share capital of the following companies:

<i>Subsidiary undertakings</i>		<i>Country of Registration or Incorporation</i>	<i>Principal Activity</i>	<i>Class of shares held</i>
UNIT4 Asia Pacific Pte Ltd		Singapore	Computer Software	SG\$1 ords
UNIT4 Malaysia Sdn Bhd		Malaysia	Computer Software	MR1 ords
UNIT4 CODA B.V.		The Netherlands	Computer Software	€1 ords

11. Debtors

	Notes	2013 £'000	2012 £'000
Trade debtors		15,347	16,205
Amounts owed by parent undertaking		17,220	35,578
Amounts owed by group undertakings		1,744	3,018
Other debtors		44	13
Prepayments and accrued income		5,480	4,460
Deferred tax asset	7	187	236
		<u>40,022</u>	<u>59,510</u>

Notes to the Financial Statements

For the year ended 31 December 2013

12. Creditors: amounts falling due within one year

	2013 £'000	2012 £'000
Trade creditors	984	779
Amounts owed to group undertakings	3,834	62,406
Corporation Tax payable	886	2,081
Other taxation and social security	3,213	3,301
Other creditors	95	64
Accruals	3,789	2,948
Deferred income	16,563	16,494
	<u>29,364</u>	<u>88,073</u>

Creditors: amounts falling due in more than one year

	2013 £'000	2012 £'000
Amounts owed to group undertakings	<u>60,000</u>	<u>70,000</u>

The company has a Loan agreement with Agresso Cyprus Limited for funds used in the acquisition of CODA Limited in 2008. In March 2013 the company made a repayment of £10m and, when the agreement expired on 1 April 2013. The company entered into a Subsequent Loan Agreement for a period of 5 years and nine months for the outstanding balance of the loan. The terms of the agreement require an annual payment towards the interest payable due in January each year with the final balance on the loan due for repayment on 31 December 2018. A further payment was made in January 2014 for £10m.

The interest payable on this loan is calculated at a margin of 0.95% over the 12 month Sterling London Interbank Offered Rate and will be reviewed annually each 1 January.

13. Share capital

	2013 £'000	2012 £'000
<i>Allotted, called up and fully paid:</i>		
51,565,227 Ordinary shares of £1 each	<u>51,565</u>	<u>51,565</u>

Notes to the Financial Statements

For the year ended 31 December 2013

14. Reconciliation of movements on reserves

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total</i>
	£'000	£'000	£'000
At 1 January 2013	51,565	19,822	71,387
Profit for the year	-	66,322	66,322
Dividend paid	-	(20,000)	(20,000)
At 31 December 2013	51,565	66,144	117,709

15. Operating lease commitments

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	<i>Land and Buildings</i>		<i>Others</i>	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
<i>Leases which expire:</i>				
Within one year	43	-	25	23
Within two to five years	415	310	35	92
After five years	-	149	-	-
	458	459	60	115

16. Other financial commitments

UNIT4 Business Software Limited is a participant and guarantor to the group loan facility of Euro €230m arranged by ING and AMRO in respect of the purchase of CODA Limited in 2008. The assets of the company are secured against this loan facility. In April 2014 the loan agreement was amended as a result of the take-over by Advent International Corporation. UNIT4 Business Software Limited continues as a participant and guarantor, but the arrangement is now with a syndicate of banks rather than ING and AMRO.

17. Related party transactions

As the company is a wholly owned subsidiary undertaking of UNIT4 N.V., a company registered in the Netherlands, which prepares published consolidated financial statements, the company has, pursuant to paragraph 17 of FRS 8 "Related Party Disclosures", not included details of transactions within the group. There are no other related party transactions requiring disclosure.

Notes to the Financial Statements

For the year ended 31 December 2013

18. Post balance sheet events

On 21 March 2014, UNIT4 N.V., the ultimate parent Company and controlling party of UNIT4 Business Software Limited, announced that Advent International Corporation had acquired the majority of shares in UNIT4 N.V. and therefore has control over the company and the group. The listing and trading of the UNIT4 N.V.'s shares on Euronext Amsterdam was terminated in April 2014.

As part of this change of ownership the group loan facility was amended. UNIT4 Business Software Limited continues as a participant and guarantor to the group loan facility, but the arrangement is now with a syndicate of banks rather than ING and AMRO.

19. Immediate and ultimate parent undertaking

As at 31 December 2013 the Company's immediate parent undertaking is UNIT4 Business Software Holding B.V. and its ultimate parent Company and controlling party is UNIT4 N.V., a Company incorporated in the Netherlands.

UNIT4 N.V. is both the largest and smallest company undertaking within which the results of UNIT4 Business Software Limited are included. Copies of the group financial statements may be obtained from UNIT4 N.V., Stationspark 1000, 3364 DA Sliedrecht, Postbus 102, 3360 AC Sliedrecht, The Netherlands.

At 31 December 2013, there was no one party which had control over UNIT4 N.V..

However, in April 2014, UNIT4 N.V. was delisted as Advent International Corporation acquired the majority of shares and control over UNIT4 N.V..