

Willow Starcom Limited

Registered number: 02286795

Directors' report and financial statements

For the year ended 30 November 2014

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WILLOW STARCOM LIMITED

COMPANY INFORMATION

Directors	M Berry D Harrison M E W Jackson
Company secretary	M Berry
Company number	02286795
Registered office	10 – 11 Welken House Charterhouse Square London EC1M 6EH
Auditors	Mazars LLP Chartered Accountants & Statutory Auditor Tower Bridge House St Katharine's Way London E1W 1DD
Bankers	National Westminster Bank plc Arndale House 243 High Street North Poole Dorset BH15 1BD

WILLOW STARCOM LIMITED

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WILLOW STARCOM LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2014

The directors present their report and the financial statements for the year ended 30 November 2014.

Principal activities

The principal activity of the company during the year was that of hosting, maintenance and support of computer hardware and software systems.

Directors

The directors who served during the year were:

M Berry
D Harrison
M E W Jackson

Directors' responsibilities statement

The directors are responsible for preparing 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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;
- 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.

WILLOW STARCOM LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2014

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operation existence for the foreseeable future, therefore they continue to adopt the going concern basis for accounting in preparing the annual financial statements.

For further information regarding the directors' assessment of the going concern status of the company, refer to the accounting policies Note 1.2 in the financial statements.

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

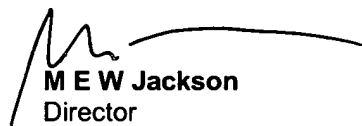
Auditors

The directors propose that Mazars LLP remain in office as auditors to the company under section 487(2) of the Companies Act 2006.

Approval

In preparing this report the directors have taken advantage of the small company reduced disclosure exemption provided by Section 415A of the Companies Act 2006.

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



M E W Jackson
Director

Date: 15/4/2015

10 – 11 Welken House
Charterhouse Square
London
EC1M 6EH

WILLOW STARCOM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WILLOW STARCOM LIMITED

We have audited the financial statements of Willow Starcom Limited for the year ended 30 November 2014, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, set out on page 1, 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. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 30 November 2014 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.

Opinion on other matter prescribed by the Companies Act 2006

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

WILLOW STARCOM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WILLOW STARCOM LIMITED

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.



Richard Metcalfe (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditors

Tower Bridge House
St Katharine's Way
London
E1W 1DD

Date: 15/4/2015

WILLOW STARCOM LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2014

	Note	2014 £	2013 £
Turnover	1,2	2,656,069	2,384,393
Cost of sales		<u>(1,500,243)</u>	<u>(1,306,381)</u>
Gross profit		1,155,826	1,078,012
Administrative expenses		<u>(1,053,288)</u>	<u>(1,049,745)</u>
Operating profit	3	102,538	28,267
Interest receivable and similar income		<u>7</u>	<u>8</u>
Profit on ordinary activities before taxation		102,545	28,275
Tax on profit on ordinary activities	7	<u>(5,961)</u>	<u>(16,524)</u>
Profit for the financial year	14	<u>96,584</u>	<u>11,751</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and Loss Account.

The notes on pages 7 to 14 form part of these financial statements.

WILLOW STARCOM LIMITED

Registered number: 02286795

BALANCE SHEET AS AT 30 NOVEMBER 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	8		194,022		184,975
Current assets					
Stocks	9	142,471		168,287	
Debtors	10	1,280,597		1,083,354	
Cash at bank		<u>481,476</u>		<u>645,437</u>	
		1,904,544		1,897,078	
Creditors: amounts falling due within one year	11	<u>(1,166,842)</u>		<u>(1,252,874)</u>	
Net current assets			<u>737,702</u>		<u>644,204</u>
Total assets less current liabilities			931,724		829,179
Provisions for liabilities					
Deferred tax	12		<u>(20,075)</u>		<u>(14,114)</u>
Net assets			<u>911,649</u>		<u>815,065</u>
Capital and reserves					
Called up share capital	13		100		100
Profit and loss account	14		<u>911,549</u>		<u>814,965</u>
Shareholders' funds	15		<u>911,649</u>		<u>815,065</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


M E W Jackson
Director

Date: 15/4/2015

The notes on pages 7 to 14 form part of these financial statements.

WILLOW STARCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Going concern

The Company has adequate financial resources together with long term contracts for a number of customers across different geographic areas and business sectors. As a consequence, the directors believe that the company is well placed to manage its business risk successfully.

After making enquiries, the directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.3 Cash flow

The company is exempt from the requirement to prepare a cash flow statement on the grounds that consolidated financial statements including the company are publicly available.

Turnover

Revenue represents the amounts derived from the provision of goods and services, stated net of Value Added Tax. The methodology applied to income recognition is dependent upon the goods or services being supplied.

In respect of income relating to annual maintenance contracts and/ or hosted services which are invoiced in advance, it is the company's policy to spread the income of each contract equally over the contract's life. The full value of each sale being credited to deferred income when invoiced to be released to the profit and loss account in equal instalments over the contract period.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	20% and 33% on cost
Office equipment	-	20% and 33% on cost
Hosting equipment	-	20% and 33% on cost

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.7 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Lease incentives received are recognised in the profit and loss account as an integral part of the total lease expenses.

WILLOW STARCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

1.8 Deferred taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

1.9 Pensions

The Company operates a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

1.10 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.11 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at grant date of the equity-settled share-based payments is expensed on a straight line basis over the vesting period, based on an estimate of shares that will eventually vest.

2. Turnover

The whole of the turnover is attributable to the one principal activity of the company.

All turnover arose within the United Kingdom.

3. Operating profit

The operating profit is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	92,000	98,751
Operating lease rentals:		
Land and buildings	60,122	49,171
Other	<u>36,580</u>	<u>35,429</u>

WILLOW STARCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

4. Auditor's remuneration

	2014 £	2013 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	5,580	5,580
Fees payable to the Company's auditor and its associates in respect of:		
Other services relating to taxation	<u>900</u>	<u>900</u>

5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	901,167	914,037
Social security costs	100,140	91,044
Other pension costs	31,068	30,331
	<u>1,032,375</u>	<u>1,035,412</u>

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

	2014 No.	2013 No.
Number of selling, distribution and administrative staff	<u>25</u>	<u>23</u>

6. Directors' remuneration

	2014 £	2013 £
Emoluments	<u>238,831</u>	<u>305,497</u>
Company pension contributions to defined contribution pension schemes	<u>15,750</u>	<u>15,750</u>

During the year retirement benefits were accruing to 2 directors (2013-2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £120,549 (2013: £153,554) and pension contributions of £7,875 (2013: £7,875).

WILLOW STARCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

7. Taxation

	2014 £	2013 £
Analysis of tax charge in the year		
Current tax (see note below)	-	-
	-	-
Deferred tax (see note 12)		
Origination and reversal of timing differences	5,961	14,055
Adjustments in respect of prior periods	-	2,480
Effect of tax rate change	-	(11)
Tax charge on profit on ordinary activities	<u>5,961</u>	<u>16,524</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 21.7% (2013 – 23.3%). The differences are explained below

	2014 £	2013 £
Profit on ordinary activities before tax	<u>102,545</u>	<u>28,275</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.7% (2013 – 23.3%)	22,218	6,598
Effects of:		
Expenses not deductible for tax purposes	1,076	883
Capital allowances for year in excess of depreciation	(5,802)	(15,693)
Impact of rate change	(484)	-
Group relief	(9,381)	-
Utilisation of (brought forward losses)/ losses carried forward	<u>(7,627)</u>	<u>8,212</u>
Current tax charge for the year (see note above)	<u>-</u>	<u>-</u>

WILLOW STARCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

8. Tangible fixed assets

	Hosting equipment £	Fixtures & fittings £	Office equipment £	Total £
Cost				
At 1 December 2013	92,486	16,974	293,140	402,600
Transfers	(15,752)	-	15,752	-
Additions	74,573	14,297	12,429	101,299
Disposals	-	-	(605)	(605)
At 30 November 2014	<u>151,307</u>	<u>31,271</u>	<u>320,716</u>	<u>503,294</u>
Depreciation				
At 1 December 2013	34,541	5,103	177,981	217,625
Transfers	(3,938)	-	3,938	-
Charge for the year	32,000	6,000	54,000	92,000
Eliminated on disposal	-	-	(353)	(353)
At 30 November 2014	<u>62,603</u>	<u>11,103</u>	<u>235,566</u>	<u>309,272</u>
Net book value				
At 30 November 2014	<u>88,704</u>	<u>20,168</u>	<u>85,150</u>	<u>194,022</u>
At 30 November 2013	<u>57,948</u>	<u>11,871</u>	<u>115,159</u>	<u>184,975</u>

9. Stocks

	2014 £	2013 £
Maintenance stock	101,344	129,998
Other stock	<u>41,127</u>	<u>38,289</u>
	<u>142,471</u>	<u>168,287</u>

10. Debtors

	2014 £	2013 £
Trade debtors	341,286	431,167
Amounts owed by group undertakings	844,715	570,293
Prepayments and accrued income	94,596	81,894
	<u>1,280,597</u>	<u>1,083,354</u>

WILLOW STARCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

11. Creditors: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	300,705	228,059
Amounts owed to group undertakings	-	154,885
Social security and other taxes	122,722	115,528
Accruals and deferred income	743,415	754,402
	<u>1,166,842</u>	<u>1,252,874</u>

12. Deferred taxation liability

	2014 £	2013 £
At beginning of year	(14,114)	2,410
Charge for year	(5,961)	(16,524)
	<u>(20,075)</u>	<u>(14,114)</u>

The provision for deferred taxation is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>(20,075)</u>	<u>(14,114)</u>

13. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

14. Reserves

	Profit and loss account £
At 1 December 2013	814,965
Profit for the year	<u>96,584</u>
At 30 November 2014	<u>911,549</u>

WILLOW STARCOM LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS FOR THE YEAR ENDED 30 NOVEMBER 2014

15. Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Opening shareholders' funds	815,065	803,314
Profit for the year	<u>96,584</u>	<u>11,751</u>
Closing shareholders' funds	<u>911,649</u>	<u>815,065</u>

16. Contingencies and guarantees

The company's bankers have a debenture to include fixed and floating charges over all current and future assets of the company.

17. Pension commitments

During the year, pension contributions totalled £31,068 (2013: £30,332) of which £nil (2013: £nil) was outstanding at the year end.

18. Share-based payments

Under UK GAAP a charge is made to the profit and loss account based on the fair value of grants in accordance with Financial Reporting Standard 20 'Share-based payment'. All share awards are equity-settled.

On 24 April 2006, 28 February 2007 and 19 May 2009, specific employees of Willow Starcom Limited were granted share options in the parent company, Access Intelligence Plc. All share options vested after three years and are exercisable for a period of seven years thereafter. Accordingly there is no charge to the profit and loss account in the current or prior year. No options were exercised in the year. Further details of the number and weighted average exercise prices of the share options are disclosed in the consolidated accounts of Access Intelligence Plc (refer note 21).

19. Operating lease commitments

At 30 November 2014 the Company had annual commitments under non-cancellable operating leases as follows:

	Other Assets		Land and buildings	
	2014 £	2013 £	2014 £	2013 £
Expiry date:				
Within 1 year	6,431	13,876	-	-
Between 2 and 5 years	<u>23,860</u>	<u>18,701</u>	<u>60,122</u>	<u>60,122</u>

WILLOW STARCOM LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS FOR THE YEAR ENDED 30 NOVEMBER 2014

20. Related party transactions

The company has taken advantage of the exemption available under FRS 8 not to disclose transactions with its parent company and its fellow wholly owned subsidiary companies, on the grounds that consolidated financial statements including the company are publicly available.

The company made sales of £51,561 (2013: £19,254) during the year to Snacktime Plc, a company in which M E W Jackson is also a director. At the year end, Snacktime Plc owed the company £18,682 (2013: £23,015).

The company made sales of £15,743 (2013: £15,743) to Elderstreet Investments Ltd, a company in which M E W Jackson is also a director. At the year end, Elderstreet Investments Ltd owed the company Nil (2013: £1,312).

21. Ultimate parent undertaking and controlling party

The immediate and ultimate parent company is Access Intelligence Plc, a company incorporated in England and Wales. Copies of the consolidated accounts can be obtained from Companies House, Cardiff.