

Financial Statements

CSB Holdings plc

For the year ended 31 March 2014



Registered number: 02397837

Company Information

Registered number	02397837
Registered office	The COINS Building 11 St Laurence Way Slough Berkshire SL1 2EA
Directors	Mr L J Sullivan Mr T P Armitage Mr N L Cope Mr D Leaver Mr M T James Mr R L Werner
Company secretary	Mr P Baker
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP National Bank of Australia 17 Station Road Indooroopilly Queensland 4068 Australia
Solicitors	ASB Law Innovis House 108 High Street Crawley West Sussex RH10 1AS
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1020 Eskdale Road IQ Winnersh Wokingham Berkshire RG41 5TS

Contents

	Page
Chairman's statement	1
Directors' report	2 - 3
Group strategic report	4 - 5
Independent auditor's report	6 - 7
Consolidated profit and loss account	8
Consolidated statement of total recognised gains and losses	9
Consolidated balance sheet	10 - 11
Company balance sheet	12
Consolidated cash flow statement	13
Notes to the financial statements	14 - 33

Chairman's Statement

For the year ended 31 March 2014

The group turnover increased by 2.5% with the balance sheet strengthening by 5.5% over the previous year. I am satisfied with the overall group performance.

Investments in our overseas operations, principally in the USA and UAE, together with our mobile electronic product catalogue and training services acquisitions have meant that we will only show a small group profit this year, despite a strong UK performance.

Continued high expenditure on our software development programme is now complemented with a significant investment in our mobile offering and private Cloud infrastructure. This has positioned us to win significant new business in all geographies including our first COINS ERP contracts in Abu Dhabi, Azerbaijan, Qatar and Malaysia. This overseas growth led directly to COINS receiving The Queen's Award for Enterprise: International Trade category in May 2014.

The Group continues to support a range of causes globally through the COINS Foundation and we have been pleased to accommodate Habitat for Humanity in our new UK head office.

Finally, my thanks go once again to all of the COINS staff worldwide for their hard work and to all of our customers for their support in our business endeavors and growth.

We look forward to working with our customers – both current and new this coming year to add value to the businesses and the communities in which they work.

Name L J Sullivan
Chairman

Date 30 September 2014

Directors' Report

For the year ended 31 March 2014

The directors present their report and the financial statements for the year ended 31 March 2014.

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £449,108 (2013 - £1,745,012).

The directors have declared no dividends (2013 - £nil). Further information is given in the Chairman's Statement.

Directors

The directors who served during the year were:

Mr L J Sullivan
Mr T P Armitage
Mr N L Cope
Mr D Leaver
Mr M T James
Mr R L Werner
Mr L D Shaw (resigned 18 December 2013)

Charitable contributions

Donations to charitable causes during the year amounted to £395,243 (2013 - £362,738).

Payment policy and practice

It is the group's policy to settle the terms of payment with suppliers when agreeing the terms of the transactions, to ensure that suppliers are aware of these terms and abide by them. The company has no trade creditors.

Directors' responsibilities statement

The directors are responsible for preparing the Group 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). 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

Directors' Report

For the year ended 31 March 2014

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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

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 and the group's auditor is 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 relevant audit information and to establish that the company and the group's auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



Mr L J Sullivan

Director

Date: 30 September 2014

Group Strategic Report

For the year ended 31 March 2014

Principal activities

The company operates principally as a holding company. The group is principally engaged in the development and supply of computer software systems. Further activities of the group are described in note 12 to the financial statements.

Business review

Group turnover has increased by 2.5% over the previous year.

Balance sheet strengthened by 5.5% over the previous year.

In the UK turnover increased by 15%, which was a good performance within a market that returned to growth.

The group continued to develop its Asian business from a base in the UAE. This has required significant investment. Business in the United States continued to make steady growth but also required further investment.

Principal risks and uncertainties

The principal risks and uncertainties for the group are:

Retention of clients – The group's record here is excellent supported by delivery of high service levels and a sustained investment in innovation and product development.

Retention of key staff – The group's record here is excellent.

Financial key performance indicators

The group's key financial and other performance indicators during the year were as follows:

Turnover £29,022,354 (£28,287,993)

Profit before Tax £280,616 (£1,828,031)

The net shareholder funds were £7,576,307 (£7,178,490)

Profitability will improve next year as the U.A.E and USA. as investments recoup.

Other key performance indicators

The group's headcount increased from 222 to 233.

Financial risk management objectives and policies

The group has various financial instruments available to it including loans, cash, and other items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations as required.

The group has relatively low mortgages outstanding against a sizable owned property portfolio. The group has overdraft facilities available in UK and USA to support trading and acquisitions. They were not utilised in this financial period.

Group Strategic Report (continued)

For the year ended 31 March 2014

The existence of these financial instruments exposes the group to a number of financial risks, which are described in more detail below.

The main risks arising from the group's financial instruments are market risk, cash flow interest rate risk, credit risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Market risk

Market risk encompasses two types of risk, being currency risk and fair value interest rate risk. The group's policies for managing fair value interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled "Interest rate risk" below.

Currency risk

The group is exposed to translation foreign exchange risk on the assets and liabilities of its overseas subsidiaries and branches in the USA, Hong Kong, Singapore, Ireland, Australia, United Arab Emirates and Belarus. The overseas operations are predominantly funded by sterling loans from Construction Industry Solutions Limited.

Approximately 50% of the group's sales are to customers in continental Europe, Austria, Australia, the USA and the Far East. Sales to continental Europe are invoiced in sterling, other overseas sales are invoiced in the local currency by the subsidiary/branch operating in that country.

Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The maturity of borrowings is set out in note 16 to the financial statements.

Interest rate risk

The group finances its operations through a mixture of retained profits and bank borrowings. Interest rates on the group's bank borrowings are linked to the standard variable interest rate of Barclays Bank plc.

Credit risk

The group's principal financial assets are cash and trade debtors. The credit risk associated with cash balances is managed by the group monitoring the financial position of the counterparties involved.

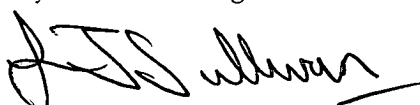
In order to manage credit risk arising from trade debtors, the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

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

Mr L J Sullivan

Director

Date: 30 September 2014



Independent Auditor's Report to the Members of CSB Holdings plc

We have audited the financial statements of CSB Holdings plc for the year ended 31 March 2014, which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated and Company Balance Sheets, the Consolidated Cash flow Statement and Reconciliation of Net Cash Flow to Movement in Net Funds, 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).

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 auditor

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. 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 (APB's) Ethical Standards for Auditors.

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/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2014 and of the group's 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 Chairman's Statement, Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of CSB Holdings plc

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Grant Thornton UK LLP

Mahmood Ramji (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Reading

30 September 2014

Consolidated Profit and Loss Account

For the year ended 31 March 2014

	Note	2014 £	2013 £
Turnover	1,2	29,022,354	28,287,993
Cost of sales		(21,185,956)	(18,561,533)
Gross profit		7,836,398	9,726,460
Administrative expenses		(7,616,330)	(7,974,275)
Operating profit	3	220,068	1,752,185
Interest receivable and similar income		118,623	119,637
Interest payable and similar charges	4	(58,075)	(43,791)
Profit on ordinary activities before taxation		280,616	1,828,031
Tax on profit on ordinary activities	7	137,867	(154,803)
Profit on ordinary activities after taxation		418,483	1,673,228
Minority interests		30,625	71,784
Profit for the financial year	20	449,108	1,745,012

All amounts relate to continuing operations.

The notes on pages 14 to 33 form part of these financial statements.

Consolidated Statement of Total Recognised Gains and Losses

For the year ended 31 March 2014

	Note	2014 £	2013 £
Profit for the financial year		449,108	1,745,012
Currency translation differences on foreign currency net investments		<u>(35,415)</u>	<u>-</u>
Total recognised gains and losses relating to the year		<u>413,693</u>	<u>1,745,012</u>

The notes on pages 14 to 33 form part of these financial statements.

Consolidated Balance Sheet

As at 31 March 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Intangible assets	8		2,691,656		2,983,618
Tangible assets	9		2,320,485		2,072,777
Investment property	10		3,978,663		3,978,663
Investments	11		343,945		250
			<u>9,334,749</u>		<u>9,035,308</u>
Current assets					
Stocks	13	26,478		27,320	
Debtors	14	9,197,100		10,243,323	
Cash at bank		4,960,424		4,251,970	
		<u>14,184,002</u>		<u>14,522,613</u>	
Creditors: amounts falling due within one year	15	(13,868,741)		(13,821,570)	
Net current assets			<u>315,261</u>		<u>701,043</u>
Total assets less current liabilities			<u>9,650,010</u>		<u>9,736,351</u>
Creditors: amounts falling due after more than one year	16		(1,745,784)		(2,243,932)
Provisions for liabilities					
Deferred tax	17	(127,919)		(163,929)	
Provisions	18	(200,000)		(150,000)	
			<u>(327,919)</u>		<u>(313,929)</u>
Net assets			<u><u>7,576,307</u></u>		<u><u>7,178,490</u></u>

Consolidated Balance Sheet (continued)

As at 31 March 2014

	Note	£	2014 £	£	2013 £
Capital and reserves					
Called up share capital	19		108,606		108,606
Share premium account	20		290,351		290,351
Share-based payments reserve	20		103,004		88,255
Other reserves	20		20,688		20,688
Profit and loss account	20		7,144,575		6,730,882
			<hr/>		<hr/>
Shareholders' funds	21		7,667,224		7,238,782
Minority interests	22		(90,917)		(60,292)
			<hr/>		<hr/>
			7,576,307		7,178,490
			<hr/>		<hr/>

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



Mr L J Sullivan

Director

Date: 30 September 2014

The notes on pages 14 to 33 form part of these financial statements.

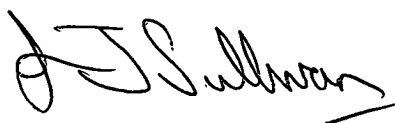
Company Balance Sheet

As at 31 March 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Intangible assets	8		-		-
Tangible assets	9		-		-
Investments	11		2,711,686		2,668,529
			<u>2,711,686</u>		<u>2,668,529</u>
Current assets					
Debtors	14	622,177		615,468	
Cash at bank		4,004		4,879	
		<u>626,181</u>		<u>620,347</u>	
Creditors: amounts falling due within one year	15	<u>(3,247,958)</u>		<u>(3,201,315)</u>	
Net current liabilities			<u>(2,621,777)</u>		<u>(2,580,968)</u>
Net assets			<u>89,909</u>		<u>87,561</u>
Capital and Reserves					
Called up share capital	19		108,606		108,606
Share premium account	20		290,351		290,351
Other reserves	20		20,688		20,688
Profit and loss account	20		<u>(329,736)</u>		<u>(332,084)</u>
Shareholders' funds	21		<u>89,909</u>		<u>87,561</u>

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

Mr L J Sullivan
 Director
 Date: 30 September 2014



The notes on pages 14 to 33 form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 31 March 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	24	2,010,877	1,300,675
Returns on investments and servicing of finance	25	60,548	75,846
Taxation		(111,725)	(175,881)
Capital expenditure and financial investment	25	(1,013,348)	(1,868,074)
Cash inflow/(outflow) before financing		946,352	(667,434)
Financing	25	(198,708)	655,312
Increase/(Decrease) in cash in the year		747,644	(12,122)

Reconciliation of Net Cash Flow to Movement in Net Funds

For the year ended 31 March 2014

	2014 £	2013 £
Increase/(Decrease) in cash in the year	747,644	(12,122)
Cash outflow from decrease in debt and lease financing	198,708	(655,312)
Movement in net debt in the year	946,352	(667,434)
Net funds at 1 April 2013	1,997,941	2,665,375
Net funds at 31 March 2014	2,944,293	1,997,941

The notes on pages 14 to 33 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 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 group's business activities, together with the factors likely to affect its future development and its financial risk management objectives and policies, are set out in the Strategic report. The group has considerable financial resources, together with a substantial recurring income stream from its existing customers. As a consequence, the directors believe that the group is well placed to manage its business risks successfully despite the continuing uncertain economic outlook.

The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Basis of consolidation

The group financial statements consolidate those of the company and of its subsidiary undertakings (see note 12). Profits or losses on intra-group transactions are eliminated in full.

Goodwill arising on consolidation, representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight-line basis over its estimated useful life.

1.4 Turnover

Group turnover is based on the total amount receivable by the group for goods supplied and services provided, excluding VAT and trade discounts, with adjustments for deferred and accrued income as follows:

- income on installation contracts is recognised once the installation has been completed
- income arising from the provision of consultancy services is recognised as the work is performed
- income on maintenance contracts and combined licence/maintenance contracts is recognised evenly over the period of the contract
- income with respect to licence fees (where it is possible to separate this from maintenance) is recognised once the licence period has commenced.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Notes to the Financial Statements

For the year ended 31 March 2014

1. Accounting Policies (continued)

1.6 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:

Freehold buildings	-	2%
Leasehold improvements	-	over the life of the lease
Software	-	33.3%
Motor vehicles	-	25%
Fixtures & fittings	-	25%
Computer equipment	-	50%

1.7 Investment property

Investment properties are included in the Balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No.19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company and the group.

1.8 Investments

Investments are included at cost less amounts written off.

1.9 Deferred taxation

Deferred tax is recognised on an undiscounted basis on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future or a right to pay less tax in the future, have occurred by the balance sheet date.

Deferred tax is recognised in respect of the retained earnings of an overseas subsidiary, associate or joint venture only to the extent that there is a commitment to remit the earnings.

Deferred tax assets are recognised when it is more likely than not they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are not discounted.

1.10 Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account. The exchange differences arising from the retranslation of the opening net investment in subsidiaries and branches are taken directly to reserves.

Notes to the Financial Statements

For the year ended 31 March 2014

1. Accounting Policies (continued)

1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.12 Finance leases

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the group, are capitalised in the balance sheet and are depreciated over their useful lives. The capital element of future obligations under the leases are included as liabilities in the balance sheet.

The interest elements are charged in the profit and loss account over the periods of the lease and represent a constant proportion of the balance of capital repayments outstanding.

1.13 Stocks

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

1.14 Dilapidations

Under certain operating leases for land and buildings, the group is obligated to make repairs of dilapidations to the leased property upon expiry of the lease. A charge is made to the profit and loss such that by the end of the lease, the total provision is accrued that is estimated to be equal to the future costs of those dilapidations obligations.

1.15 Share-based payments

The group makes equity-settled share-based payments to certain employees (including directors). Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the company's estimate of the shares that will eventually vest.

Fair value is measured using the Black Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Notes to the Financial Statements

For the year ended 31 March 2014

1. Accounting Policies (continued)

1.16 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

The company's A ordinary non-voting shares rank pari passu with the ordinary shares for participation in the profits and assets of the company and in all other respects, except that A ordinary non voting shares do not entitle the holders to receive notice of or to attend or vote at any general meeting.

There is no contractual obligation which will result in a future outflow of financial assets, and therefore the A ordinary non-voting shares in issue are classed as equity instruments.

2. Turnover

A geographical analysis of turnover is as follows:

	2014	2013
	£	£
United Kingdom	16,827,781	14,176,725
Other European Union	422,538	669,060
Australia	1,023,386	1,154,952
Far East	80,347	155,536
USA	8,529,357	8,564,497
Rest of World	2,138,945	3,567,223
	<u>29,022,354</u>	<u>28,287,993</u>

Notes to the Financial Statements

For the year ended 31 March 2014

3. Operating profit

The operating profit is stated after charging:

	2014	2013
	£	£
Amortisation - intangible fixed assets	276,308	276,308
Depreciation of tangible fixed assets:		
- owned by the group	239,920	252,552
Auditor's remuneration	61,500	66,850
Auditor's remuneration - non-audit	12,400	12,050
Difference on foreign exchange	412,001	57,423
	<u> </u>	<u> </u>

4. Interest payable

	2014	2013
	£	£
On bank loans	58,075	43,791
	<u> </u>	<u> </u>

5. Staff costs

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

	2014	2013
	£	£
Wages and salaries	10,108,639	9,644,836
Social security costs	992,335	768,312
Other pension costs	186,114	219,804
	<u> </u>	<u> </u>
	11,287,088	10,632,952
	<u> </u>	<u> </u>

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

	2014	2013
	No.	No.
Support, development and technical services	112	122
Selling and distribution	80	59
Administration	41	41
	<u> </u>	<u> </u>
	233	222
	<u> </u>	<u> </u>

Notes to the Financial Statements

For the year ended 31 March 2014

6. Directors' remuneration

	2014 £	2013 £
Remuneration	<u>961,645</u>	<u>978,948</u>
Company pension contributions to defined contribution pension schemes	<u>22,181</u>	<u>17,967</u>

During the year retirement benefits were accruing to 4 directors (2013 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £270,427 (2013 - £303,737).

7. Taxation

	2014 £	2013 £
Analysis of tax (credit)/charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	240,715	129,954
Adjustments in respect of prior periods	(330,956)	8,774
	<u>(90,241)</u>	<u>138,728</u>
Foreign tax on income for the year	57,357	24,741
	<u>(32,884)</u>	<u>163,469</u>
Total current tax		
Deferred tax (see note 17)		
Origination and reversal of timing differences	(104,983)	(8,666)
	<u>(137,867)</u>	<u>154,803</u>
Tax on profit on ordinary activities		

Notes to the Financial Statements

For the year ended 31 March 2014

7. Taxation (continued)

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 23% (2013 - 24%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>280,616</u>	<u>1,828,031</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013 - 24%)	72,960	438,727
Effects of:		
Expenses not deductible for tax purposes	22,435	36,874
Decelerated capital allowances for year in excess of depreciation	(69,871)	(2,445)
Utilisation of tax losses	(38,809)	(74,154)
Adjustments to tax charge in respect of prior periods	(330,956)	8,774
Other timing differences	33,722	(72,063)
Non-taxable foreign income	135,507	(217,758)
Effect of different tax rates on subsidiaries	33,047	-
Difference in tax rates	28,364	-
Permanent differences	80,717	45,514
Current tax (credit)/charge for the year (see note above)	<u>(32,884)</u>	<u>163,469</u>

Notes to the Financial Statements

For the year ended 31 March 2014

8. Intangible fixed assets

	Goodwill £
Group	
Cost	
At 1 April 2013	4,658,155
Revaluation of deferred consideration	(15,654)
At 31 March 2014	<u>4,642,501</u>
Amortisation	
At 1 April 2013	1,674,537
Charge for the year	276,308
At 31 March 2014	<u>1,950,845</u>
Net book value	
At 31 March 2014	<u>2,691,656</u>
At 31 March 2013	<u>2,983,618</u>

Goodwill included above in respect of:

Company	Ownership	Date of acquisition	Period of amortisation
Construction Industry Solutions Corp.	100%	April 2007	20 years
Animi Holdings Limited	51%	April 2009	10 years
Pervasic Limited	100%	August 2010	10 years
S&J Management Services Limited	100%	March 2011	10 years

Notes to the Financial Statements

For the year ended 31 March 2014

9. Tangible fixed assets

Group	Freehold property £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Other fixed assets £	Total £
Cost						
At 1 April 2013	1,697,005	71,762	658,781	2,192,282	3,333,571	7,953,401
Additions	334,046	11,487	122,507	214,512	2,755	685,307
Disposals	-	-	-	(698)	-	(698)
Foreign exchange movement	(83,907)	(3,439)	(32,270)	(137,830)	(99,401)	(356,847)
At 31 March 2014	<u>1,947,144</u>	<u>79,810</u>	<u>749,018</u>	<u>2,268,266</u>	<u>3,236,925</u>	<u>8,281,163</u>
Depreciation						
At 1 April 2013	365,823	65,896	580,759	2,057,607	2,810,539	5,880,624
Charge for the year	56,089	5,238	33,980	116,912	27,701	239,920
On disposals	-	-	-	(698)	-	(698)
Foreign exchange movement	(11,933)	(2,012)	(17,387)	(47,559)	(80,277)	(159,168)
At 31 March 2014	<u>409,979</u>	<u>69,122</u>	<u>597,352</u>	<u>2,126,262</u>	<u>2,757,963</u>	<u>5,960,678</u>
Net book value						
At 31 March 2014	<u>1,537,165</u>	<u>10,688</u>	<u>151,666</u>	<u>142,004</u>	<u>478,962</u>	<u>2,320,485</u>
At 31 March 2013	<u>1,331,182</u>	<u>5,866</u>	<u>78,022</u>	<u>134,675</u>	<u>523,032</u>	<u>2,072,777</u>

Included within motor vehicles are assets with a net book value at £Nil (2013 - £6,508) held under finance leases. The depreciation charged to the financial statements in respect of such assets amount to £6,508 (2013 - £4,303).

10. Investment property

Group	Freehold investment property £
Valuation	
At 1 April 2013 and 31 March 2014	<u>3,978,663</u>

The investment property was valued by Wadham & Isherwood Chartered Surveyors on an open market basis during January 2010. The directors believe that the carrying value of investment property at 31 March 2014 is not significantly different to this valuation.

Notes to the Financial Statements

For the year ended 31 March 2014

11. Fixed asset investments

Group	Investments £
Cost or valuation	
At 1 April 2013	250
Additions	343,695
At 31 March 2014	343,945
Net book value	
At 31 March 2014	343,945
At 31 March 2013	250

Trade investments include a 25% shareholding in Advance International Limited. The group does not have significant influence over the operating and financial policies of this entity.

The addition to trade investments in the year represents a minority shareholding in NanoFab Tools S.L. and Urbanise.com Pty Limited.

Company	Investments in subsidiary companies £	Trade investments £	Total £
Cost or valuation			
At 1 April 2013	2,668,529	-	2,668,529
Additions	-	43,157	43,157
At 31 March 2014	2,668,529	43,157	2,711,686
Net book value			
At 31 March 2014	2,668,529	43,157	2,711,686
At 31 March 2013	2,668,529	-	2,668,529

Details of the principal subsidiaries can be found under note number 12.

The addition to trade investments in the year represents a minority shareholding in NanoFab Tools S.L.

Notes to the Financial Statements

For the year ended 31 March 2014

12. Principal subsidiaries

At 31 March 2014, the company held investments in the ordinary share capital of the following:

Company name	Country	Percentage Shareholding	Description
Construction Industry Solutions Limited	England & Wales	100%	Design and installation of computer systems
EAC (Projects) Limited*	England & Wales	100%	Dormant
Construction Industry Solutions Asia Pacific Limited*	Hong Kong	100%	Design and installation of computer systems
Construction Industry Solutions Singapore Pte Limited*	Singapore	100%	Design and installation of computer systems
Construction Industry Solutions Corp	USA	100%	Design and installation of computer systems
Construction Industry Solutions Ireland Limited*	Ireland	100%	Design and installation of computer systems
Construction Industry Solutions Corporation (US)**	USA	100%	Design and installation of computer systems
Coins US Group Corporation	USA	100%	Holding company
Coins LLC	Belarus	100%	Software development
Computer Systems for Business Limited	England & Wales	100%	Dormant
Animi Holdings Limited	England & Wales	51%	Holding company
John Laing Training Limited***	England & Wales	51%	Training company
COINS Hotelbetrieb GmbH	Austria	100%	Hotel management
Birgkarhaus Besitz GmbH	Austria	100%	Property holding company
S&J Management Services Limited*	England & Wales	100%	Computer and management consultancy
E-Xact Online Limited*	England & Wales	100%	Provider of internet subscriptions
Pervasic Limited*	England & Wales	100%	Design and installation of computer systems
Construction Industry Solutions ME FZE*	UAE	100%	Design and installation of computer systems

* Held indirectly through Construction Industry Solutions Limited

** Held indirectly through COINS US Group Corporation

*** Held indirectly through Animi Holdings Limited

13. Stocks

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Finished goods	26,478	27,320	-	-

Notes to the Financial Statements

For the year ended 31 March 2014

14. Debtors

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Due after more than one year				
Other debtors	118,191	310,000	-	-
Due within one year				
Trade debtors	3,808,542	4,624,839	-	-
Amounts owed by group undertakings	-	-	622,177	615,468
Amounts owed by related undertakings	531,392	637,020	-	-
Other debtors	739,583	1,403,488	-	-
Corporation tax recoverable	90,773	117,622	-	-
Loans to directors	1,590,229	1,289,486	-	-
Called up share capital not paid	1,020	1,020	-	-
Prepayments and accrued income	1,769,004	1,466,773	-	-
Tax recoverable	375,469	289,150	-	-
Deferred tax asset (see note 17)	172,897	103,925	-	-
	<u>9,197,100</u>	<u>10,243,323</u>	<u>622,177</u>	<u>615,468</u>

15. Creditors:**Amounts falling due within one year**

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	257,567	296,757	-	-
Net obligations under finance leases and hire purchase contracts	14,000	19,000	-	-
Trade creditors	2,189,881	1,374,262	-	-
Amounts owed to group undertakings	-	-	3,215,288	3,164,198
Corporation tax	107,860	279,318	-	4,447
Other taxation and social security	1,133,989	802,810	-	-
Amounts owed to related undertakings	116,610	101,975	-	-
Other creditors	163,284	560,839	32,670	32,670
Accruals and deferred income	9,885,550	10,386,609	-	-
	<u>13,868,741</u>	<u>13,821,570</u>	<u>3,247,958</u>	<u>3,201,315</u>

Notes to the Financial Statements

For the year ended 31 March 2014

16. Creditors:

Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Bank loans	1,744,564	1,938,272	-	-
Other creditors	1,220	305,660	-	-
	<u>1,745,784</u>	<u>2,243,932</u>	<u>-</u>	<u>-</u>

The bank borrowings are secured by a fixed and floating charge over the group's freehold property. Interest is charged at 2.75% above Bank of England base rate.

Group

Borrowings, which consist of bank and other borrowings, are repayable as follows:

	2014	2013
	£	£
Within one year	257,567	256,757
After one and within two years	513,515	513,515
After two and within five years	770,272	770,272
After five years	460,777	654,485
Total	<u>2,002,131</u>	<u>2,195,029</u>

17. Deferred taxation

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
At beginning of year	(60,004)	(51,338)	-	-
Released during/(charge for) the year (P&L)	104,982	(8,666)	-	-
At end of year	<u>44,978</u>	<u>(60,004)</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 31 March 2014

17. Deferred taxation (continued)

The deferred taxation (asset)/liability is made up as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Accelerated capital allowances	118,443	32,548	-	-
Tax losses brought forward	(236,618)	(89,353)	-	-
Other timing differences	(12,000)	(14,000)	-	-
Timing differences on capitalised software	85,197	130,809	-	-
	<u>(44,978)</u>	<u>60,004</u>	<u>-</u>	<u>-</u>
comprising:				
Asset - due within one year	172,897	103,925	-	-
Liability	(127,919)	(163,929)	-	-
	<u>44,978</u>	<u>(60,004)</u>	<u>-</u>	<u>-</u>

18. Provisions

	Property dilapidations
Group	£
At 1 April 2013	150,000
Provided in the year	50,000
At 31 March 2014	<u>200,000</u>

Property dilapidations

The settlement timing of these obligations is dependent upon ongoing negotiations between the group and the landlord.

Notes to the Financial Statements

For the year ended 31 March 2014

19. Share capital

	2014 £	2013 £
Authorised		
25,000,000 Ordinary shares of £0.01 each	250,000	250,000
2,000,000 A ordinary non-voting shares of £0.01 each	20,000	20,000
	<u>270,000</u>	<u>270,000</u>
Allotted, called up and fully paid		
10,434,774 Ordinary shares of £0.01 each	104,348	104,348
425,796 A ordinary non-voting shares of £0.01 each	4,258	4,258
	<u>108,606</u>	<u>108,606</u>

A ordinary non-voting shares

The A ordinary non-voting shares rank pari passu to ordinary shares for participation in the profits and assets of the company and in all other respects except that A ordinary non-voting shares do not entitle the holders to receive notice of or to attend or vote at any general meeting.

20. Reserves

	Share premium account £	Share- based payments reserve £	Other reserves £	Profit and loss account £
Group				
At 1 April 2013	290,351	88,255	20,688	6,730,882
Profit for the financial year	-	-	-	449,108
Share-based payment movement (Note 23)	-	14,749	-	-
Currency translation differences on foreign currency net investments	-	-	-	(35,415)
At 31 March 2014	<u>290,351</u>	<u>103,004</u>	<u>20,688</u>	<u>7,144,575</u>
		Share premium account £	Other reserves £	Profit and loss account £
Company				
At 1 April 2013		290,351	20,688	(332,084)
Profit for the financial year		-	-	2,348
At 31 March 2014		<u>290,351</u>	<u>20,688</u>	<u>(329,736)</u>

Notes to the Financial Statements

For the year ended 31 March 2014

21. Reconciliation of movement in shareholders' funds

	2014	2013
Group	£	£
Opening shareholders' funds	7,238,782	5,475,958
Profit for the financial year	449,108	1,745,012
Currency translation differences on foreign currency net investments	(35,415)	-
Share-based payment movement	14,749	17,812
Closing shareholders' funds	<u>7,667,224</u>	<u>7,238,782</u>
Company	2014	2013
	£	£
Opening shareholders' funds	87,561	68,643
Profit for the financial year	2,348	18,918
Closing shareholders' funds	<u>89,909</u>	<u>87,561</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit for the year dealt with in the accounts of the company was £2,348 (2013 - £18,918).

22. Minority interests

Equity	£
At 1 April 2013	(60,292)
Proportion of loss after taxation for the year	(30,625)
At 31 March 2014	<u>(90,917)</u>

Notes to the Financial Statements

For the year ended 31 March 2014

23. Share-based payments

Equity-settled share-based payments

The group has a share option scheme for certain employees (including directors). Options are exercisable at a price agreed with HM Revenue and Customs at the date of grant. The options vest on the change of ownership of the company. The options are settled in equity once exercised. Options are forfeited if the employee leaves the company before the options vest.

Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the year are as follows:

	2014	2014 WAEP	2013	2013 WAEP
	No	£	No	£
Outstanding at the beginning of the year	1,971,713	0.64	1,971,713	0.64
Granted/(lapsed) during the period	(153,750)	-	-	-
Outstanding at the end of the period	1,817,963	0.55	1,971,713	0.64
Exercisable at the period end	438,680	0.08	438,680	0.20

The group recognised a total charge of £14,749 (2013 - £17,812) related to equity-settled share-based payment transactions during the year.

The fair values were calculated using the Black-Scholes valuation model. The inputs into the model were as follows:

	2014	2013
Weighted average exercise price (£)	0.64	0.64
Expected volatility (%)	10.00	10.00
Expected lives (years)	1.60	1.60
Risk free rate (%)	0.50	0.50

Notes to the Financial Statements

For the year ended 31 March 2014

24. Net cash flow from operating activities

	2014	2013
	£	£
Operating profit	220,068	1,752,185
Amortisation of intangible fixed assets	276,308	276,308
Depreciation of tangible fixed assets	239,920	252,552
Decrease/(increase) in stocks	842	(12,478)
Decrease/(increase) in debtors	1,069,045	(1,826,748)
Decrease in amounts owed by related undertakings	105,628	(287,855)
(Decrease)/increase in creditors	(41,627)	997,442
Increase in provisions	50,000	40,000
Exchange differences	90,693	109,269
Net cash inflow from operating activities	2,010,877	1,300,675

25. Analysis of cash flows for headings netted in cash flow statement

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	118,623	119,637
Interest paid	(58,075)	(43,791)
Net cash inflow from returns on investments and servicing of finance	60,548	75,846
	2014	2013
	£	£
Capital expenditure and financial investment		
Reduction in contingent consideration	15,654	55,010
Purchase of tangible fixed assets	(685,307)	(354,385)
Sale of tangible fixed assets	-	8,683
Purchase of investment properties	-	(1,577,382)
Purchase of trade investments	(343,695)	-
Net cash outflow from capital expenditure	(1,013,348)	(1,868,074)
	2014	2013
	£	£
Financing		
New secured loans	-	664,312
Repayment of loans	(193,708)	-
Repayment of finance leases	(5,000)	(9,000)
Net cash (outflow)/inflow from financing	(198,708)	655,312

Notes to the Financial Statements

For the year ended 31 March 2014

26. Analysis of changes in net funds

	1 April 2013	Cash flow	Other non-cash changes	31 March 2014
	£	£	£	£
Cash at bank and in hand	4,251,970	708,454	-	4,960,424
Bank overdraft	(296,757)	39,190	-	(257,567)
	<u>3,955,213</u>	<u>747,644</u>	<u>-</u>	<u>4,702,857</u>
Debt:				
Debts due within one year	(19,000)	5,000	-	(14,000)
Debts falling due after more than one year	(1,938,272)	193,708	-	(1,744,564)
	<u>(1,957,272)</u>	<u>198,708</u>	<u>-</u>	<u>(1,758,564)</u>
Net funds	<u><u>1,997,941</u></u>	<u><u>946,352</u></u>	<u><u>-</u></u>	<u><u>2,944,293</u></u>

27. Contingent liabilities

Neither the group or the company had any contingent liabilities at 31 March 2014 or 31 March 2013.

28. Pension commitments

The group contributes to money purchase arrangements for the benefit of the employees, directors and senior employees. The assets of the arrangements are administered by trustees in funds independent from those of the group.

The balance outstanding at the year end, included within social security and other taxes, amounted to £28,043 (2013: £29,538).

29. Operating lease commitments

At 31 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
Group	£	£	£	£
Expiry date:				
Within 1 year	-	35,416	-	-
Between 2 and 5 years	-	-	-	118,678
	<u>-</u>	<u>35,416</u>	<u>-</u>	<u>118,678</u>

30. Capital commitments

Neither the group or the company had any capital commitments at 31 March 2014 or 31 March 2013.

Notes to the Financial Statements

For the year ended 31 March 2014

31. Related party transactions

The group has provided an interest free loan to Mr D Leaver, a director. The amount outstanding at 31 March 2014 was £56,500 (2013 - £66,500). The maximum amount due during the year was £66,500 (2013 - £66,500).

The group has provided an interest free loan to Mr N L Cope, a director. The amount outstanding at 31 March 2014 was £174,196 (2013 - £76,367), which reflects the maximum amount due during the year.

During the year, the group provided a loan of £1,359,006 (2013 - £1,013,732) to Mr L J Sullivan, on which interest is charged at the official Bank of England rate. The total amount outstanding at 31 March 2014 from Mr L J Sullivan was £1,359,006 (2013 - £1,013,732) and reflects the maximum amount due during the year.

During the year, the group charged Oasis Limited rental fees of £36,324 (2013 - £63,238). The group also incurred consultants' fees of £144,000 (2013 - £134,124) from Oasis Limited. An amount of £272,386 (2013 - £223,038) remains outstanding from Oasis Limited at the year end. Oasis Limited is a related party by virtue of the common control and directorship of Mr L J Sullivan.

During the year, the group incurred software development costs of £499,814 (2013 - £451,878) from Total Objects Limited, a company related by virtue of common directorship and control of Mr L J Sullivan. The other debtor balance outstanding at 31 March 2014 is £82,092 (2013 - £2,120).

The group has provided a loan to Total Objects Limited. The balance outstanding at 31 March 2014 was £50,000 (2013 - £342,000). The maximum amount due during the year was £342,000 (2013 - £342,000).

32. Ultimate controlling party

The directors consider Mr L J Sullivan to be the ultimate controlling party by virtue of his majority shareholding in the company's shares.