

Financial Statements CSB Holdings plc

For the year ended 31 March 2015



Registered number: 02397837

Company Information

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 A Halls
Registered number	02397837
Registered office	The COINS Building 11 St Laurence Way Slough Berkshire SL1 2EA
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1020 Eskdale Road Winnersh Wokingham Berkshire RG41 5TS
Solicitors	ASB Law Innovis House 108 High Street Crawley West Sussex RH10 1AS

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Chairman's Statement

For the year ended 31 March 2015

The chairman presents his statement for the period.

The group turnover has increased by 3.8% with the balance sheet strengthening by 8.3% 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 had a dampening effect on profits but our strong UK performance has more than covered this.

We continue to invest in developing our software and range of products and this continued focus on mobile applications and private cloud infrastructures (amongst other work) places the business in a good position to both retain and gain new clients.

At the end of the year the Group acquired Diamonds Software Limited, which specializes in the provision of (cloud based) work flow software solutions and will greatly add to COINS portfolio.

The Group continues to support a range of causes globally through the COINS Foundation and we are pleased to provide accommodation to Habitat for Humanity. Additionally this year we are sponsoring an Industry Sustainability Awards programme for the first time in conjunction with leading Industry sector Companies & Cambridge University

Finally, welcome to our new staff and 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

29/09/15

Directors' Report

For the year ended 31 March 2015

The directors present their report and the financial statements for the year ended 31 March 2015.

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.

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £911,482 (2014 - £449,108).

The directors have declared no dividends (2014 - £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

Charitable contributions

Donations to charitable causes during the year amounted to £639,950 (2014 - £395,243).

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' Report

For the year ended 31 March 2015

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.

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:

29/09/15

Group Strategic Report

For the year ended 31 March 2015

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 3.8% over the previous year.

Balance sheet strengthened by 8.3% over the previous year.

In the UK turnover has increased by 7.4%, which was a good performance within a market that returned to growth.

The group continued to develop its Far-East business from a base in the UAE. This has continued to require significant investment. Business in the United States continued to make steady growth winning new clients.

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 services levels and a sustain 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 £30,115,240 (2014 - £29,022,354)

Profit before Tax £920,808 (2014 - £280,616)

The net shareholder funds were £8,346,933 (2014 - £7,667,224)

Other key performance indicators

The group's headcount increased from 233 to 240.

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.

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

Group Strategic Report (continued)

For the year ended 31 March 2015

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 45% 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.

The group purchases development support from Russian entities and has benefited from the Rouble devaluation.

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:


29/04/15

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 2015, 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/auditscopeukprivate.

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 2015 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

Date: *29 September 2015*

Consolidated Profit and Loss Account

For the year ended 31 March 2015

	Note	2015 £	2014 £
Turnover	1,2	30,115,240	29,022,354
Cost of sales		<u>(15,315,062)</u>	<u>(16,787,833)</u>
Gross profit		14,800,178	12,234,521
Administrative expenses		<u>(13,913,717)</u>	<u>(12,014,453)</u>
Operating profit	3	886,461	220,068
Interest receivable and similar income		104,248	118,623
Interest payable and similar charges	4	<u>(69,901)</u>	<u>(58,075)</u>
Profit on ordinary activities before taxation		920,808	280,616
Tax on profit on ordinary activities	7	<u>(63,145)</u>	<u>137,867</u>
Profit on ordinary activities after taxation		857,663	418,483
Minority interests		<u>53,819</u>	<u>30,625</u>
Profit for the financial year	20	<u>911,482</u>	<u>449,108</u>

All amounts relate to continuing operations.

The notes on pages 14 to 34 form part of these financial statements.

Consolidated Statement of Total Recognised Gains and Losses

For the year ended 31 March 2015

	Note	2015 £	2014 £
Profit for the financial year		911,482	449,108
Currency translation differences on foreign currency net investments		<u>(231,773)</u>	<u>(35,415)</u>
Total recognised gains and losses relating to the year		<u>679,709</u>	<u>413,693</u>

The notes on pages 14 to 34 form part of these financial statements.

Consolidated Balance Sheet

As at 31 March 2015

	Note	£	2015 £	2014 £
Fixed assets				
Intangible assets	8		2,696,538	2,691,656
Tangible assets	9		2,760,330	2,320,485
Investment property	10		3,978,663	3,978,663
Investments	11		1,246,289	343,945
			<u>10,681,820</u>	<u>9,334,749</u>
Current assets				
Stocks	13	75,449		26,478
Debtors	14	9,473,517		9,197,100
Cash at bank		3,756,111		4,960,424
		<u>13,305,077</u>		<u>14,184,002</u>
Creditors: amounts falling due within one year	15	<u>(13,879,323)</u>	<u>(13,868,741)</u>	
Net current (liabilities)/assets			<u>(574,246)</u>	<u>315,261</u>
Total assets less current liabilities			<u>10,107,574</u>	<u>9,650,010</u>
Creditors: amounts falling due after more than one year	16		<u>(1,565,096)</u>	<u>(1,745,784)</u>
Provisions for liabilities				
Deferred tax	17	(340,281)		(127,919)
Provisions	18	-		(200,000)
		<u>-</u>	<u>(340,281)</u>	<u>(327,919)</u>
Net assets			<u><u>8,202,197</u></u>	<u><u>7,576,307</u></u>

Consolidated Balance Sheet (continued)

As at 31 March 2015

	Note	£	2015 £	£	2014 £
Capital and reserves					
Called up share capital	19		112,771		108,606
Share premium account	20		319,504		290,351
Share-based payments reserve	20		69,686		103,004
Other reserves	20		20,688		20,688
Profit and loss account	20		7,824,284		7,144,575
			<hr/>		<hr/>
Shareholders' funds	21		8,346,933		7,667,224
Minority interests	22		(144,736)		(90,917)
			<hr/>		<hr/>
			8,202,197		7,576,307
			<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:

29/09/15

The notes on pages 14 to 34 form part of these financial statements.

Company Balance Sheet

As at 31 March 2015

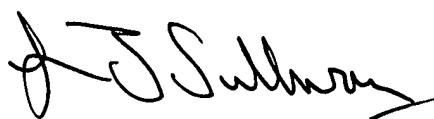
	Note	£	2015 £	£	2014 £
Fixed assets					
Intangible assets	8		-		-
Tangible assets	9		-		-
Investments	11		2,681,093		2,711,686
			<u>2,681,093</u>		<u>2,711,686</u>
Current assets					
Debtors	14	655,686		622,177	
Cash at bank		32,819		4,004	
		<u>688,505</u>		<u>626,181</u>	
Creditors: amounts falling due within one year	15	(3,241,396)		(3,247,958)	
Net current liabilities			<u>(2,552,891)</u>		<u>(2,621,777)</u>
Net assets			<u><u>128,202</u></u>		<u><u>89,909</u></u>
Capital and reserves					
Called up share capital	19		112,771		108,606
Share premium account	20		319,504		290,351
Other reserves	20		20,688		20,688
Profit and loss account	20		(324,761)		(329,736)
Shareholders' funds	21		<u><u>128,202</u></u>		<u><u>89,909</u></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:


29/04/15

The notes on pages 14 to 34 form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 31 March 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	25	1,158,989	2,010,877
Returns on investments and servicing of finance	26	34,347	60,548
Taxation		(329,531)	(111,725)
Capital expenditure and financial investment	26	(1,898,586)	(669,653)
Acquisitions and disposals	26	(12,299)	-
Cash (outflow)/inflow before financing		(1,047,080)	1,290,047
Financing	26	(176,317)	(198,708)
(Decrease)/Increase in cash in the year		(1,223,397)	1,091,339

Reconciliation of Net Cash Flow to Movement in Net Funds

For the year ended 31 March 2015

	2015 £	2014 £
(Decrease)/Increase in cash in the year	(1,223,397)	1,091,339
Cash outflow from decrease in debt and lease financing	209,635	198,708
Movement in net debt in the year	(1,013,762)	1,290,047
Net funds at 1 April 2014	2,944,293	1,654,246
Net funds at 31 March 2015	1,930,531	2,944,293

The notes on pages 14 to 34 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2015

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.

The directors have reviewed the accounting policies and consider that they remain the most appropriate for the group and company.

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 2015

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

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

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.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

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 2015

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 2015

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.

1.17 Cost allocations

During the year the company has revised the allocation of certain costs between cost of sales and administrative expenses in order to better present the results of the company.

2. Turnover

A geographical analysis of turnover is as follows:

	2015	2014
	£	£
United Kingdom	18,072,880	16,827,781
Other European Union	574,617	422,538
Australia	967,139	1,023,386
Far East	198,597	80,347
USA	8,645,929	8,529,357
Middle East	1,346,181	2,138,945
Rest of World	309,897	-
	<u>30,115,240</u>	<u>29,022,354</u>

Notes to the Financial Statements

For the year ended 31 March 2015

3. Operating profit

The operating profit is stated after charging:

	2015	2014
	£	£
Amortisation - intangible fixed assets	276,308	276,308
Depreciation of tangible fixed assets:		
- owned by the group	546,136	239,920
Auditor's remuneration	66,300	61,500
Auditor's remuneration - non-audit	14,050	12,400
Difference on foreign exchange	(311,351)	412,001
	<u> </u>	<u> </u>

4. Interest payable

	2015	2014
	£	£
On bank loans	69,901	58,075
	<u> </u>	<u> </u>

5. Staff costs

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

	2015	2014
	£	£
Wages and salaries	12,437,987	10,108,639
Social security costs	1,022,351	992,335
Other pension costs	608,660	506,308
	<u> </u>	<u> </u>
	14,068,998	11,607,282
	<u> </u>	<u> </u>

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

	2015	2014
	No.	No.
Support, development and technical services	127	112
Selling and distribution	76	80
Administration	37	41
	<u> </u>	<u> </u>
	240	233
	<u> </u>	<u> </u>

Notes to the Financial Statements

For the year ended 31 March 2015

6. Directors' remuneration

	2015 £	2014 £
Remuneration	<u>712,544</u>	<u>961,645</u>
Company pension contributions to defined contribution pension schemes	<u>20,778</u>	<u>22,181</u>

During the year retirement benefits were accruing to 4 directors (2014 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £152,874 (2014 - £270,427).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £2,763 (2014 - £NIL).

7. Taxation

	2015 £	2014 £
Analysis of tax credit in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	159,543	240,715
Adjustments in respect of prior periods	<u>(394,793)</u>	<u>(330,956)</u>
	(235,250)	(90,241)
Foreign tax on income for the year	55,952	57,357
Total current tax	<u>(179,298)</u>	<u>(32,884)</u>
Deferred tax (see note 17)		
Origination and reversal of timing differences	<u>242,443</u>	<u>(104,983)</u>
Tax on profit on ordinary activities	<u>63,145</u>	<u>(137,867)</u>

Notes to the Financial Statements

For the year ended 31 March 2015

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	920,808	280,616
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	186,390	72,960
Effects of:		
Expenses not deductible for tax purposes	94,265	22,435
Decelerated capital allowances for year in excess of depreciation	(110,350)	(69,871)
Utilisation of tax losses	(30,731)	(38,809)
Adjustments to tax charge in respect of prior periods	(394,793)	(330,956)
Other timing differences	(107,598)	33,722
Non-taxable foreign income	202,841	135,507
Marginal relief	(121)	-
Fixed asset differences	32,799	33,047
Difference in tax rates	(42,051)	28,364
Permanent differences	(9,949)	80,717
Current tax credit for the year (see note above)	(179,298)	(32,884)

Notes to the Financial Statements

For the year ended 31 March 2015

8. Intangible fixed assets

Group	Goodwill £
Cost	
At 1 April 2014	4,642,501
Additions	281,190
At 31 March 2015	<u>4,923,691</u>
Amortisation	
At 1 April 2014	1,950,845
Charge for the year	276,308
At 31 March 2015	<u>2,227,153</u>
Net book value	
At 31 March 2015	<u>2,696,538</u>
At 31 March 2014	<u>2,691,656</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
Diamonds Software Limited	100%	March 2015	10 years

The addition to goodwill relates entirely to the purchase of Diamonds Software Limited on 27 March 2015 by Construction Industry Solutions Limited, a subsidiary of the group. See note 24 for further details.

Notes to the Financial Statements

For the year ended 31 March 2015

9. Tangible fixed assets

Group	Freehold property £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Other fixed assets £	Total £
Cost						
At 1 April 2014	1,947,144	79,810	749,018	2,268,266	3,236,925	8,281,163
Additions	324,293	19,178	99,974	378,016	177,951	999,412
Disposals	-	-	(4,417)	(14,219)	(84,531)	(103,167)
On acquisition of subsidiaries	-	-	453	-	-	453
Foreign exchange movement	(8,785)	(383)	(3,266)	(10,180)	(13,197)	(35,811)
At 31 March 2015	2,262,652	98,605	841,762	2,621,883	3,317,148	9,142,050
Depreciation						
At 1 April 2014	409,979	69,122	597,352	2,126,262	2,757,963	5,960,678
Charge for the year	81,552	23,362	75,781	213,487	151,954	546,136
On disposals	-	-	(4,232)	(13,582)	(82,183)	(99,997)
Foreign exchange movement	(1,901)	(358)	(2,587)	(8,997)	(11,254)	(25,097)
At 31 March 2015	489,630	92,126	666,314	2,317,170	2,816,480	6,381,720
Net book value						
At 31 March 2015	1,773,022	6,479	175,448	304,713	500,668	2,760,330
At 31 March 2014	1,537,165	10,688	151,666	142,004	478,962	2,320,485

Included within motor vehicles are assets with a net book value at £Nil (2014 - £Nil) held under finance leases. The depreciation charged to the financial statements in respect of such assets amount to £Nil (2014 - £6,508).

10. Investment property

Group	Freehold investment property £
Valuation	
At 1 April 2014 and 31 March 2015	3,978,663

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 2015 is not significantly different to this valuation.

Notes to the Financial Statements

For the year ended 31 March 2015

11. Fixed asset investments

Group	Investments £
Cost or valuation	
At 1 April 2014	343,945
Additions	902,344
At 31 March 2015	<u>1,246,289</u>
Net book value	
At 31 March 2015	<u>1,246,289</u>
At 31 March 2014	<u>343,945</u>

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 an increase in the minority shareholding in Urbanise.com Pty Limited, and a 50% holding in Fulcro Limited. The directors consider that they have no significant influence on the operating or financial decisions of Fulcro Limited, and thus have treated the investment as an associate only.

Company	Investments in subsidiary companies £	Trade investments £	Total £
Cost or valuation			
At 1 April 2014 and 31 March 2015	<u>2,668,529</u>	<u>43,157</u>	<u>2,711,686</u>
Impairment			
At 1 April 2014	-	-	-
Charge for the year	<u>30,593</u>	<u>-</u>	<u>30,593</u>
At 31 March 2015	<u>30,593</u>	<u>-</u>	<u>30,593</u>
Net book value			
At 31 March 2015	<u>2,637,936</u>	<u>43,157</u>	<u>2,681,093</u>
At 31 March 2014	<u>2,668,529</u>	<u>43,157</u>	<u>2,711,686</u>

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

Notes to the Financial Statements

For the year ended 31 March 2015

12. Principal subsidiaries

At 31 March 2015, 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
Diamonds Software Limited*	England & Wales	100%	Software development

* Held indirectly through Construction Industry Solutions Limited

** Held indirectly through COINS US Group Corporation

*** Held indirectly through Animi Holdings Limited

13. Stocks

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Finished goods	75,449	26,478	-	-

Notes to the Financial Statements

For the year ended 31 March 2015

14. Debtors

	<u>Group</u>		<u>Company</u>	
	2015	2014	2015	2014
	£	£	£	£
Due after more than one year				
Other debtors	-	118,191	-	-
Due within one year				
Trade debtors	4,433,582	3,808,542	-	-
Amounts owed by group undertakings	-	-	652,175	622,177
Amounts owed by related undertakings	663,599	531,392	-	-
Other debtors	1,157,658	739,583	-	-
Corporation tax recoverable	120,135	90,773	3,511	-
Loans to directors	359,061	1,590,229	-	-
Called up share capital not paid	1,020	1,020	-	-
Prepayments and accrued income	2,204,537	1,769,004	-	-
Tax recoverable	388,482	375,469	-	-
Deferred tax asset (see note 17)	145,443	172,897	-	-
	<u>9,473,517</u>	<u>9,197,100</u>	<u>655,686</u>	<u>622,177</u>

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

	<u>Group</u>		<u>Company</u>	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	276,651	257,567	-	-
Net obligations under finance leases and hire purchase contracts	-	14,000	-	-
Trade creditors	1,839,221	2,189,881	-	-
Amounts owed to group undertakings	-	-	3,208,726	3,215,288
Amounts owed to related undertakings	4,320	116,610	-	-
Corporation tax	-	107,860	-	-
Other taxation and social security	1,095,053	1,133,989	-	-
Contingent consideration	200,000	-	-	-
Other creditors	116,294	163,284	32,670	32,670
Accruals and deferred income	10,347,784	9,885,550	-	-
	<u>13,879,323</u>	<u>13,868,741</u>	<u>3,241,396</u>	<u>3,247,958</u>

Notes to the Financial Statements

For the year ended 31 March 2015

16. Creditors:

Amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans	1,548,929	1,744,564	-	-
Other creditors	16,167	1,220	-	-
	<u>1,565,096</u>	<u>1,745,784</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:

	2015	2014
	£	£
Within one year	257,567	257,567
After one and within two years	513,515	513,515
After two and within five years	770,272	770,272
After five years	265,953	460,777
Total	<u>1,807,307</u>	<u>2,002,131</u>

17. Deferred taxation

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
At beginning of year	44,978	(60,004)	-	-
(Charge for)/released during the year (P&L)	(239,816)	104,982	-	-
At end of year	<u>(194,838)</u>	<u>44,978</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 31 March 2015

17. Deferred taxation (continued)

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

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Accelerated capital allowances	292,373	118,443	-	-
Tax losses brought forward	(109,712)	(236,618)	-	-
Other timing differences	(42,837)	(12,000)	-	-
Timing differences on capitalised software	55,014	85,197	-	-
	194,838	(44,978)	-	-
comprising:				
Asset - due within one year	145,443	172,897	-	-
Liability	(340,281)	(127,919)	-	-
	(194,838)	44,978	-	-

18. Provisions

Group	Property dilapidations
	£
At 1 April 2014	200,000
Amounts used	(165,000)
Amounts released to profit and loss	(35,000)
At 31 March 2015	-

Property dilapidations

During the year the dilapidations were settled for an amount of £165,000. The remaining provision has been released to the profit and loss account in the year.

Notes to the Financial Statements

For the year ended 31 March 2015

19. Share capital

	2015 £	2014 £
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		
10,851,274 Ordinary shares of £0.01 each	108,513	104,348
425,796 A ordinary non-voting shares of £0.01 each	4,258	4,258
	<u>112,771</u>	<u>108,606</u>

During the year the company allotted 4,165 Ordinary shares at par for a consideration of 8p per share.

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

Group	Share premium account £	Share- based payments reserve £	Other reserves £	Profit and loss account £
At 1 April 2014	290,351	103,004	20,688	7,144,575
Profit for the financial year	-	-	-	911,482
Premium on shares issued during the year	29,153	-	-	-
Share-based payment movement (Note 23)	-	(33,318)	-	-
Currency translation differences on foreign currency net investments	-	-	-	(231,773)
At 31 March 2015	<u>319,504</u>	<u>69,686</u>	<u>20,688</u>	<u>7,824,284</u>

Company	Share premium account £	Other reserves £	Profit and loss account £
At 1 April 2014	290,351	20,688	(329,736)
Profit for the financial year	-	-	4,975
Premium on shares issued during the year	29,153	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2015	319,504	20,688	(324,761)

	2015	2014
Group	£	£
Opening shareholders' funds	7,667,224	7,253,531
Profit for the financial year	911,482	449,108
Shares issued during the year	4,165	-
Share premium on shares issued (net of expenses)	29,153	-
Currency translation differences on foreign currency net investments	(231,773)	(35,415)
Share-based payment movement	(33,318)	-
	<u>8,346,933</u>	<u>7,667,224</u>
Closing shareholders' funds	<u>8,346,933</u>	<u>7,667,224</u>

	2015	2014
Company	£	£
Opening shareholders' funds	89,909	87,561
Profit for the financial year	4,975	2,348
Shares issued during the year	4,165	-
Share premium on shares issued (net of expenses)	29,153	-
	<u>128,202</u>	<u>89,909</u>
Closing shareholders' funds	<u>128,202</u>	<u>89,909</u>

The profit for the year dealt with in the accounts of the company was £4,975 (2014 - £2,348).

Notes to the Financial Statements

For the year ended 31 March 2015

22. Minority interests

Equity	£
At 1 April 2014	90,917
Proportion of loss after taxation for the year	53,819
	<hr/>
At 31 March 2015	144,736
	<hr/>

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:

	2015	2015	2014	2014
	No	WAEP	No	WAEP
		£		£
Outstanding at the beginning of the year	1,817,963	0.64	1,971,713	0.64
Granted/(lapsed) during the period	(22,212)	-	(153,750)	-
Exercised during the period	(416,468)	0.08	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Outstanding at the end of the period	1,379,283	0.93	1,817,963	0.55
	<hr/>	<hr/>	<hr/>	<hr/>
Exercisable at the period end	-	-	438,680	0.08
	<hr/>	<hr/>	<hr/>	<hr/>

The group recognised a total credit of £33,318 (2014 - charge of £14,749) 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:

	2015	2014
Weighted average exercise price (£)	0.93	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 2015

24. Acquisitions and Disposals

On 27 March 2015 Construction Industry Solutions Limited, a subsidiary of the company, acquired Diamonds Software Limited. The details of the acquisition are as follows:

Acquisitions

	Vendors' book value £	Fair value to the group £
Assets and liabilities acquired		
Tangible fixed assets	453	453
Debtors	39,594	39,594
Bank overdrafts	(12,298)	(12,298)
Other creditors and provisions	(108,938)	(108,938)
Net assets acquired	<u>(81,189)</u>	<u>(81,189)</u>
Satisfied by		
Consideration:		
Cash		1
Contingent consideration		200,000
		<u>200,001</u>
Goodwill arising on consolidation (see note 8)		<u>281,190</u>

Contingent consideration is an estimate based on the future profitability of the acquired entity. It is subject to change in the future.

The summarised profit and loss account for Diamonds Software Limited for the period from 1 April 2014 to the date of acquisition was as follows:

Turnover	<u>78,919</u>
Operating profit	<u>56,157</u>
Profit before tax	<u>56,157</u>
Profit after tax	<u>56,157</u>

Notes to the Financial Statements

For the year ended 31 March 2015

25. Net cash flow from operating activities

	2015	2014
	£	£
Operating profit	886,461	220,068
Amortisation of intangible fixed assets	276,308	276,308
Depreciation of tangible fixed assets	546,136	239,920
(Increase)/decrease in stocks	(48,971)	842
(Increase)/decrease in debtors	(89,695)	1,069,045
(Increase)/decrease in amounts owed by participating interests	(132,207)	105,628
Increase/(decrease) in creditors	19,361	(41,627)
(Decrease)/increase in provisions	(200,000)	50,000
Exchange differences	(98,404)	90,693
Net cash inflow from operating activities	1,158,989	2,010,877

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

	2015	2014
	£	£
Returns on investments and servicing of finance		
Interest received	104,248	118,623
Interest paid	(69,901)	(58,075)
Net cash inflow from returns on investments and servicing of finance	34,347	60,548

	2015	2014
	£	£
Capital expenditure and financial investment		
Movement in contingent consideration	-	15,654
Purchase of tangible fixed assets	(999,412)	(685,307)
Sale of tangible fixed assets	3,170	-
Purchase of trade investments	(902,344)	(343,695)
Net cash outflow from capital expenditure	(1,898,586)	(669,653)

	2015	2014
	£	£
Acquisitions and disposals		
Purchase of subsidiary	(1)	-
Net overdraft acquired with subsidiary	(12,298)	-
Net cash outflow from acquisitions and disposals	(12,299)	-

Notes to the Financial Statements

For the year ended 31 March 2015

26. Analysis of cash flows for headings netted in cash flow statement (continued)

	2015 £	2014 £
Financing		
Issue of ordinary shares	33,318	-
Repayment of loans	(195,635)	(193,708)
Repayment of finance leases	(14,000)	(5,000)
Net cash outflow from financing	(176,317)	(198,708)

27. Analysis of changes in net funds

	1 April 2014 £	Cash flow £	Other non-cash changes £	31 March 2015 £
Cash at bank and in hand	4,960,424	(1,461,880)	257,567	3,756,111
Bank overdraft	(257,567)	238,483	-	(19,084)
	4,702,857	(1,223,397)	257,567	3,737,027
Debt:				
Debts due within one year	(14,000)	14,000	(257,567)	(257,567)
Debts falling due after more than one year	(1,744,564)	195,635	-	(1,548,929)
Net funds	2,944,293	(1,013,762)	-	1,930,531

28. Contingent liabilities

The group and the company had no contingent liabilities at 31 March 2015 or 31 March 2014.

29. 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 £37,160 (2014 - £28,043).

Notes to the Financial Statements

For the year ended 31 March 2015

30. Operating lease commitments

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as follows:

Group	Land and buildings		2015	Other 2014
	2015	2014		
	£	£	£	£
Expiry date:				
Within 1 year	29,087	35,416	-	-
Between 2 and 5 years	36,404	-	165,149	118,678

31. Capital commitments

The group and the company had no capital commitments at 31 March 2015 or 31 March 2014.

32. Related party transactions

The group has provided an interest free loan to Mr D Leaver, a director. The amount outstanding at 31 March 2015 was £56,500 (2014 - £56,500). The maximum amount due during the year was £56,500 (2014 - £66,500).

The group has provided an interest free loan to Mr N L Cope, a director. The amount outstanding at 31 March 2015 was £179,321 (2014 - £174,196), which reflects the maximum amount due during the year.

During the year, the group provided a loan of £163,237 (2014 - £1,359,006) to Mr L J Sullivan, on which interest is charged at the official Bank of England rate. The total amount outstanding at 31 March 2015 from Mr L J Sullivan was £163,237 (2014 - £1,359,006). The maximum amount due during the year was £1,359,006 (2014 - £1,359,006).

During the year, the group charged Oasis Limited rental fees of £36,324 (2014 - £36,234). The group also incurred consultants' fees of £120,000 (2014 - £144,000) from Oasis Limited. An amount of £282,849 (2014 - £272,386) 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 £237,550 (2014 - £499,814) 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 £nil (2014 - £82,092).

The group has provided a loan to Total Objects Limited. The balance outstanding at 31 March 2015 was £nil (2014 - £50,000). The maximum amount due during the year was £50,000 (2014 - £342,000).

33. 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.