

Financial Statements CFP Software Limited

For the year ended 31 March 2015



Registered number: 2428214

Company Information

Directors	M D Goddard G Scott
Registered number	2428214
Registered office	1 Oxford Court St James Road Brackley Northamptonshire NN13 7XY
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1020 Eskdale Road IQ Winnersh Wokingham Berkshire RG41 5TS
Bankers	The Royal Bank of Scotland plc 135 Bishopsgate London EC2M 3UR
Solicitors	Shoosmiths Russell House 1550 Parkway Solent Business Park Whiteley Fareham Hampshire PO15 7AG

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Strategic Report

For the year ended 31 March 2015

Principal activity

The company's principal activity is the design and sale of software focused on property professionals primarily in the UK residential property industry.

Business review

The UK residential property market has been buoyant, and the specialist area of property management software has experienced favourable conditions.

The company continues to invest heavily in all aspects of the business. The product portfolio is strong and the company pays particular attention to working closely with leading professional bodies to ensure the business continues to be the clear market leader in this field.

The company's key performance indicators during the year were as follows:

	2015	2014	Change
	£'000	£'000	
Revenue	4,651	4,680	(0.6%)
Operating profit	1,144	1,342	(14.8%)
Shareholders' funds	4,909	4,010	22.4%

Management are confident that the business will continue to be profitable in the next financial year. No significant changes to the company's activities are anticipated in the foreseeable future.

Financial Risk Management

The company's business does not expose it to any risks other than those associated with normal commercial trading. The list below does not contain all risks that the company faces and it does not list the risks in any order of priority.

Economic environment

The UK housing market is linked to the health of the UK economy. UK interest rates look set to remain at historic low rates for the foreseeable future.

IT

The service to our customers is heavily dependent upon the company's IT systems. The company has appropriate controls in place to mitigate the risk of systems failure including back up procedures and disaster recovery plans and also has appropriate virus protection and network security controls.

Credit risk

The company's credit risk is primarily attributable to its trade receivables, which are stated net of provision for doubtful receivables. The company has implemented policies that require appropriate credit checks on potential customers before sales are made and most cash is collected by monthly direct debit collection with the team of credit controllers chasing delinquent payments promptly.

Liquidity risk

The company maintains sufficient cash for ongoing operations and future developments. In addition, the company may use debt facilities with other group companies.

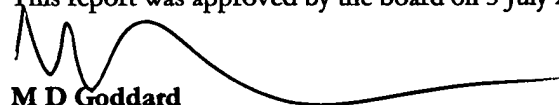
Strategic Report (continued)

For the year ended 31 March 2015

Results and dividends

The results for the year are set out in the profit and loss account on page 7. The directors are satisfied with the performance of the company. No dividend has been paid on the ordinary shares (2014: £nil).

This report was approved by the board on 3 July 2015 and signed on its behalf.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

M D Goddard
Director

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.

Results

The profit for the year, after taxation, amounted to £899,000 (2014 - £1,292,000).

Directors

The directors who served during the year were:

M D Goddard

G Scott (appointed 7 October 2014)

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- that directors have 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's auditor is aware of that information.

CFP Software Limited

Directors' Report

For the year ended 31 March 2015

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 on 3 July 2015 and signed on its behalf.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

M D Goddard
Director

Independent Auditor's Report to the Members of CFP Software Limited

We have audited the financial statements of CFP Software Limited for the year ended 31 March 2015, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

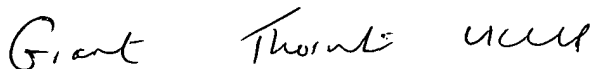
In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of CFP Software Limited

Matters on which we are required to report by exception

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

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



James Rogers (Senior Statutory Auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Reading

3 July 2015

Profit and Loss Account

For the year ended 31 March 2015

	Note	2015 £000	2014 £000
Turnover	1,2	4,651	4,680
Administrative expenses		(3,507)	(3,338)
Operating profit	3	1,144	1,342
Interest payable and similar charges	5	-	(23)
Profit on ordinary activities before taxation		1,144	1,319
Tax on profit on ordinary activities	6	(245)	(27)
Profit for the financial year	14	899	1,292

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 9 to 17 form part of these financial statements.

Balance Sheet

As at 31 March 2015

	Note	£000	2015 £000	£000	2014 £000
Fixed assets					
Intangible assets	7		470		540
Tangible assets	8		25		50
			<u>495</u>		<u>590</u>
Current assets					
Stocks	9	2		6	
Debtors	10	6,363		5,120	
Cash at bank		321		384	
		<u>6,686</u>		<u>5,510</u>	
Creditors: amounts falling due within one year	11	(2,219)		(2,090)	
Net current assets			<u>4,467</u>		<u>3,420</u>
Total assets less current liabilities			<u>4,962</u>		<u>4,010</u>
Provisions for liabilities					
Deferred tax	12		(53)		-
Net assets			<u>4,909</u>		<u>4,010</u>
Capital and reserves					
Called up share capital	13		-		-
Profit and loss account	14		4,909		4,010
Shareholders' funds	15		<u>4,909</u>		<u>4,010</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 July 2015.



M D Goddard
Director

The notes on pages 9 to 17 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.

1.2 Cash flow statement

The company is wholly-owned subsidiary of Property Software Holding Limited and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised 1996), "Cash Flow Statements".

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

1.4 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:

Leasehold Improvements	-	10 years
Office furniture and equipment	-	10 years
Computer equipment	-	4 years

1.5 Intangible fixed assets and amortisation

Amortisation on distribution rights is calculated so as to write off the cost less estimated residual value, over the economic life of the asset. The directors believe that economic benefit will accrue from the distribution rights over a period of 20 years.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when necessary criteria in accordance with FRS 10 "Goodwill and intangible assets". Directly attributable costs that are capitalised as part of the software product include the software development employee costs. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Computer software development costs recognised as asset are not amortised until completed.

Amortisation is provided at the following rates:

Development expenditure	-	10 years
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1.6 Impairment

Fixed assets are subject to review for impairment in accordance with FRS11 "Impairment of fixed assets and goodwill". Any impairment is recognised in the profit and loss account of the year it occurs.

Notes to the Financial Statements

For the year ended 31 March 2015

1. Accounting Policies (continued)

1.7 Current Tax

The company provides for corporate taxation on the results for the year at the normal rate applicable to that year and recognises group relief when made available.

1.8 Operating leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term. Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitment is shown as obligations under finance leases. The lease rentals are treated as consisting of a capital and an interest element. The capital element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful economic lives of equivalent owned assets.

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.

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 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.

1.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Notes to the Financial Statements

For the year ended 31 March 2015

1. Accounting Policies (continued)

1.12 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.

2. Turnover

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

All turnover arose within the United Kingdom.

3. Operating profit

The operating profit is stated after charging:

	2015 £000	2014 £000
Amortisation - intangible fixed assets	63	-
Depreciation of tangible fixed assets:		
- owned by the company	88	35
Auditor's remuneration - Audit	9	9
Operating lease charges		
- motor vehicles and property	140	142
Amortisation of capitalised distribution rights	7	7
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During the year, no director received any emoluments (2014 - £NIL).

Notes to the Financial Statements

For the year ended 31 March 2015

4. Staff costs

Staff costs were as follows:

	2015 £000	2014 £000
Wages and salaries	2,045	2,216
Social security costs	210	209
Other pension costs	94	77
	<u>2,349</u>	<u>2,502</u>

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

	2015 No.	2014 No.
Administration	<u>79</u>	<u>84</u>

5. Interest payable

	2015 £000	2014 £000
On other loans	<u>-</u>	<u>23</u>

6. Taxation

	2015 £000	2014 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	129	27
Deferred tax		
Origination and reversal of timing differences	53	-
Adjustments in respect of prior periods	63	-
Total deferred tax (see note 12)	<u>116</u>	<u>-</u>
Tax on profit on ordinary activities	<u>245</u>	<u>27</u>

Notes to the Financial Statements

For the year ended 31 March 2015

6. 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 £000	2014 £000
Profit on ordinary activities before tax	<u>1,144</u>	<u>1,319</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	240	303
Effects of:		
Capital allowances for year in excess of depreciation	(4)	(7)
Adjustments to tax charge in respect of prior periods	(27)	-
Non-taxable income	(3)	-
Group relief	(82)	(269)
Fixed asset differences	5	-
	<u>129</u>	<u>27</u>
Current tax charge for the year (see note above)		

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

7. Intangible fixed assets

	Software Costs £000	Distribution Right £000	Total £000
Cost			
At 1 April 2014 and 31 March 2015	<u>516</u>	<u>150</u>	<u>666</u>
Amortisation			
At 1 April 2014	-	126	126
Charge for the year	<u>63</u>	<u>7</u>	<u>70</u>
At 31 March 2015	<u>63</u>	<u>133</u>	<u>196</u>
Net book value			
At 31 March 2015	<u>453</u>	<u>17</u>	<u>470</u>
At 31 March 2014	<u>516</u>	<u>24</u>	<u>540</u>

Notes to the Financial Statements

For the year ended 31 March 2015

8. Tangible fixed assets

	Long-term leasehold property £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost				
At 1 April 2014 and 31 March 2015	38	49	330	417
Depreciation				
At 1 April 2014	22	35	310	367
Charge for the year	3	3	19	25
At 31 March 2015	25	38	329	392
Net book value				
At 31 March 2015	13	11	1	25
At 31 March 2014	16	14	20	50

9. Stocks

	2015 £000	2014 £000
Finished goods and goods for resale	2	6

10. Debtors

	2015 £000	2014 £000
Trade debtors	1,359	1,383
Amounts owed by group undertakings	4,899	3,535
Other debtors	21	-
Prepayments and accrued income	84	139
Deferred tax asset (see note 12)	-	63
	6,363	5,120

Notes to the Financial Statements

For the year ended 31 March 2015

11. Creditors:

Amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	175	211
Amounts owed to group undertakings	44	34
Corporation tax	156	27
Other taxation and social security	266	265
Other creditors	12	11
Accruals and deferred income	1,566	1,542
	<u>2,219</u>	<u>2,090</u>

12. Deferred taxation

	2015 £000	2014 £000
At beginning of year	63	63
Charged to profit and loss	(116)	-
	<u>(53)</u>	<u>63</u>
At end of year		

The deferred taxation balance is made up as follows:

	2015 £000	2014 £000
Accelerated capital allowances	<u>(53)</u>	<u>63</u>

13. Share capital

	2015 £000	2014 £000
Allotted, called up and fully paid		
100 (2014 - 100) Ordinary shares of £1 each	<u>-</u>	<u>-</u>

14. Reserves

	Profit and loss account £000
At 1 April 2014	4,010
Profit for the financial year	899
	<u>4,909</u>
At 31 March 2015	

Notes to the Financial Statements

For the year ended 31 March 2015

15. Reconciliation of movement in shareholders' funds

	2015 £000	2014 £000
Opening shareholders' funds	4,010	2,718
Profit for the financial year	899	1,292
	<hr/>	<hr/>
Closing shareholders' funds	4,909	4,010
	<hr/>	<hr/>

16. Contingent liabilities

Borrowings in the ultimate parent company are secured by a floating charge over the company's assets.

Notes to the Financial Statements

For the year ended 31 March 2015

17. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £94,000 (2014 - £77,000). Contributions totaling £12,000 (2014 - £10,000) were payable to the fund at the balance sheet date and are included in creditors.

18. Financial Commitments

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

	Motor Vehicles and Property	
	2015	2014
	£000	£000
Expiry date:		
Within 1 year	31	114
Between 2 and 5 years	113	41
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19. Related party transactions

The directors agreed Property Software Holdings Limited is the ultimate controlling party by virtue of its 100% interest in the equity share capital of the company. Transactions with fellow subsidiary members of Property Software Holdings Limited are not required to be disclosed under FRS 8 as these transaction are fully eliminated on consolidation.

20. Ultimate and immediate parent undertaking and controlling party

The company's immediate parent company is Property Software Limited, which is incorporated in Great Britain and registered in England and Wales. Property Software Limited is owned 100% by Property Software Holdings Limited, which is the ultimate controlling party. A copy of the ultimate holding company's consolidated accounts may be obtained by applying direct to its registered office at 1 Oxford Court, St James Road, Brackley, Northamptonshire, NN13 7XY.