

# Financial Statements

## AMI Education Solutions Limited

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**For the Year Ended 31 December 2015**



**Registered number: 02613240**

**AMI Education Solutions Limited**  
**Registered number:02613240**

## Company Information

**Directors**

B Symons  
J R Mackinnon  
S Saklad (resigned 18 December 2015)  
R Clancy (appointed 18 December 2015)

**Company secretary**

Stephen McNally

**Registered number**

02613240

**Registered office**

Gladstone House  
Hithercroft road  
Wallingford  
Oxfordshire  
OX10 9BT

**Independent auditor**

Grant Thornton UK LLP  
Chartered Accountants & Statutory Auditor  
3140 Rowan Place  
John Smith Drive  
Oxford Business Park South  
Oxford  
Oxfordshire  
OX4 2WB

**AMI Education Solutions Limited**  
**Registered number:02613240**

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# Strategic Report

For the Year Ended 31 December 2015

## Introduction

The directors present the strategic report and financial statements for the year ended 31 December 2015.

## Business review

AMI Education Solutions Limited ("the Company") is a wholly owned subsidiary of Constellation Software Inc. a Canadian company listed on the Toronto Stock Exchange ("TSX")

As a wholly owned subsidiary, the Company benefits from the operational and financial support of its ultimate parent and intermediate parent company, Gary Jonas Computing ("Jonas"). Jonas Software is the leading provider of enterprise management software solutions to the Club, Leisure Fitness & Sports, Salon & Spa, Foodservice, Construction, Attractions, Metal Service Centres, Moving & Storage, Education, Continuing Education, Hotel & Hospitality, Camps, Event Management, Radiology/Laboratory Information Systems, Consumer Product Licensing, payment processing and Retail industries. Within these 17 vertical markets, Jonas boasts 65 distinct brands, all of which are respected and longstanding leaders within their own domain.

## Principal risks and uncertainties

Competitive pressures within the UK Education market remain and could result in the Company losing some new sales and existing customers to key competitors. To manage this risk, the Company aims to provide added-value products and excellent services to its customers and prompt response times in the handling of customer queries. The Company regularly surveys its customer base to better understand customer opinions and market trends.

## Financial key performance indicators

In alignment with group policy, the Company considers its Key Performance Indicators ("KPIs") to be those which drive shareholder value, namely Net Revenue Growth ("NRG") and Profitability.

	2015	2014	2013
Net Revenue (Gross Profit) growth	-21.52%	-5.83%	-29.92%
Loss before exceptional items and taxation	-108,022	-153,524	-117,347

During the year, the Company had a staff restructure which it feels will contribute to continued improvements in profit and are looking to reduce cost of sales and operating expenses whilst building on their customer base to improve net revenue growth.

In addition to the above KPIs, the Company also pays close attention to its net current assets position. Jonas requires that the Company is party to a central corporate treasury function which allows the group to centrally manage its liquidity and financial risks whilst ensuring capital is deployed globally in the most effective manner. However, this can mean that locally the financial strength of the Company is not necessarily conveyed by the net current asset position when reading these financial statements in isolation. To fully understand the size and strength of the corporate group of which the Company is a part, these financial statements should be read in conjunction with those of Constellation Software Inc.


**AMI Education Solutions Limited**  
**Registered number:02613240**

## **Strategic Report (continued)**

**For the Year Ended 31 December 2015**

This report was approved by the board on **20 July 2016**

and signed on its behalf.

  
**R Clancy**  
Director

## **Directors' Report**

**For the Year Ended 31 December 2015**

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

### **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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping 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.

### **Principal activity**

The principle activity of the company is the design, supply and support of software for cashless retail, payments identity management, user provisioning software to schools and colleges across the UK.

### **Results and dividends**

The loss for the year, after taxation, amounted to £123,749 (2014 - loss £145,961).

The directors do not recommend the payment of a dividend (2014: £Nil).

### **Directors**

The directors who served during the year were:

B Symons  
J R Mackinnon  
S Saklad (resigned 18 December 2015)  
R Clancy (appointed 18 December 2015)

## Directors' Report

For the Year Ended 31 December 2015

### Future developments

The Company continues to invest in its product range with new innovative features as well as developing new products to differentiate its offering. These new products are designed to create new revenue streams for the company and drive future growth.

### 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'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's auditor is aware of that information.

### Post balance sheet events

There have been no significant events affecting the Company since the year end.

### Auditors

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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 registrar, whichever is earlier.

This report was approved by the board on **20 July 2016** and signed on its behalf.



**R Clancy**  
Director



## Independent Auditor's Report to the Members of AMI Education Solutions Limited

We have audited the financial statements of AMI Education Solutions Limited for the year ended 31 December 2015, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity 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), including FRS 101 Reduced Disclosure Framework.

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 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](http://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 December 2015 and of its loss 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 MATTERS 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 AMI Education Solutions 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.

A handwritten signature in black ink, appearing to read "Grant Thornton UK LLP".

Tracey James (Senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
Oxford

Date: 20 July 2016

## Statement of Comprehensive Income

For the Year Ended 31 December 2015

	Note	2015 £	2014 £
Turnover		743,074	882,440
Cost of sales		(271,721)	(281,837)
<b>Gross profit</b>		<b>471,353</b>	<b>600,603</b>
Administrative expenses		(579,375)	(754,225)
<b>Operating loss</b>		<b>(108,022)</b>	<b>(153,622)</b>
Interest receivable and similar income	8	-	98
<b>Loss before tax</b>		<b>(108,022)</b>	<b>(153,524)</b>
Tax on loss	9	(15,727)	7,563
<b>Loss for the year</b>		<b>(123,749)</b>	<b>(145,961)</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
<b>Total comprehensive income for the year</b>		<b>(123,749)</b>	<b>(145,961)</b>

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

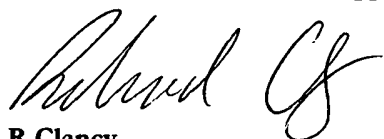
The notes on pages 10 to 24 form part of these financial statements.

## Balance Sheet

As at 31 December 2015

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	10	-	-
<b>Current assets</b>			
Stocks	11	13,793	10,821
Debtors: amounts falling due within one year	12	984,032	1,137,562
Cash at bank and in hand	13	45,883	60,005
		<u>1,043,708</u>	<u>1,208,388</u>
Creditors: amounts falling due within one year	14	(535,130)	(504,778)
<b>Net current assets</b>		<u>508,578</u>	<u>703,610</u>
<b>Total assets less current liabilities</b>		<u>508,578</u>	<u>703,610</u>
<b>Net assets excluding pension asset</b>		<u>508,578</u>	<u>703,610</u>
<b>Net assets</b>		<u><u>508,578</u></u>	<u><u>703,610</u></u>
Deferred income		233,084	304,367
<b>Capital and reserves</b>			
Share Capital	19	140,100	140,100
Capital Redemption Reserve	18	2,599	2,599
Retained Earnings	18	132,795	256,544
		<u>508,578</u>	<u>703,610</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20/2/16.



**R Clancy**  
Director

The notes on pages 10 to 24 form part of these financial statements.

## Statement of Changes in Equity

For the Year Ended 31 December 2015

	Share capital	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£
At 1 January 2015	140,100	2,599	256,544	399,243
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(123,749)	(123,749)
<b>Total comprehensive income for the year</b>	-	-	(123,749)	(123,749)
<b>At 31 December 2015</b>	<b>140,100</b>	<b>2,599</b>	<b>132,795</b>	<b>275,494</b>

## Statement of Changes in Equity

For the Year Ended 31 December 2014

	Share capital	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£
At 1 January 2014	140,100	2,599	402,505	545,204
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(145,961)	(145,961)
<b>Total comprehensive income for the year</b>	-	-	(145,961)	(145,961)
<b>At 31 December 2014</b>	<b>140,100</b>	<b>2,599</b>	<b>256,544</b>	<b>399,243</b>

The notes on pages 10 to 24 form part of these financial statements.

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 1. Accounting policies

### 1.1 Basis of preparation of financial statements

AMI Education Solutions Limited is a limited liability company incorporated in the United Kingdom. Its registered office is Hithercroft Road, Wallingford, Oxfordshire, OX10 9BT.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 101 is given in note 25.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

#### First time application of FRS 100 and FRS 101

In the current year the Company has adopted FRS 100 and FRS 101. In previous years the financial statements were prepared in accordance with applicable UK accounting standards.

This change in the basis of preparation has not materially altered the recognition and measurement requirements previously applied in accordance with UK GAAP. Consequently the principal accounting policies are unchanged from the prior year. The change in basis of preparation has enabled the Company to take advantage of all of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below. There have been no other material amendments to the disclosure requirements previously applied in accordance with UK GAAP.

The following principal accounting policies have been applied:

### 1.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of IAS 16 Property, Plant and Equipment to present a comparative reconciliation
- disclosure of key management personnel compensation
- capital management disclosures
- the effect of future accounting standards not adopted

# Notes to the Financial Statements

**For the Year Ended 31 December 2015**

## **1. Accounting policies (continued)**

### **1.3 Going concern**

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The directors have reviewed the working capital requirements of the group for a period of at least 12 months from the anticipated date of signing of the financial statements and are satisfied that the company will be able to meet its liabilities as they fall due.

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## **1. Accounting policies (continued)**

### **1.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

#### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue from the sale of goods and services is recognised upon transfer to the customer of the significant risks and rewards of ownership. This is generally when goods are despatched to, or services performed for, customers.

Revenue on hardware is recognised on shipment provided there are no unfulfilled obligations that are essential to the functionality of the delivered product. If such obligations exist, revenue is recognised as they are fulfilled.

Revenue from contracts for maintenance, support and annually and other periodically contracted products and services are recognised on a pro-rata basis over the contract period.

Revenue from installation, consultancy and other services is recognised when the service has been provided.

Licence revenue is recognised on the delivery of the licence.

# Notes to the Financial Statements

**For the Year Ended 31 December 2015**

## **1. Accounting policies (continued)**

### **1.5 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 3-4 years
Computer equipment	- 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

### **1.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

### **1.7 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

# Notes to the Financial Statements

**For the Year Ended 31 December 2015**

## **1. Accounting policies (continued)**

### **1.8 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### **1.9 Financial instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

#### **Financial assets**

The Company classifies all of its financial assets as loans and receivables.

#### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of comprehensive income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

#### **Financial liabilities**

The Company classifies all of its financial liabilities as liabilities at amortised cost.

#### **At amortised cost**

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Balance Sheet.

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## **1. Accounting policies (continued)**

### **1.10 Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### **1.11 Pensions**

#### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

### **1.12 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

### **1.13 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

### **1.14 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 2. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in the Statement of comprehensive income, when, and if, better information is obtained.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included below.

Critical judgments that management have made in the process of applying accounting policies disclosed herein, and that have a significant effect on the amounts recognised in the financial statements, relates to the following:

### Revenue recognition

Management applies judgment when assessing whether certain deliverables in a customer arrangement should be included or excluded from the unit of account to which contract accounting is applied. The judgment is typically related to the sale and inclusion of third party hardware and licenses in a customer arrangement and involves an assessment that principally addresses whether the deliverable has stand-alone value to the customer that is not dependent upon other components of the arrangement.

Management also assess whether the company is the primary obligor in the arrangement involving third party services, licence and/or maintenance, which is generally consistent with the company retaining fulfillment, inventory and credit risks, among others.

### Deferred tax assets

The recognition of deferred tax assets is based on forecasts of future taxable profit. The measurement of future profit for the purposes of determining whether or not to recognise deferred tax assets depends on many factors, including the company's ability to generate such profits and the implementation of effective tax planning strategies. The occurrence or non-occurrence of such events in the future may lead to significant changes to the measurement of deferred tax assets.

### Provisions

In recognising provisions, the company evaluates the extent to which it is probable that it has incurred a legal or constructive obligation in respect of past events and the probability that there will be an outflow of benefits as a result. The judgments used to recognise provisions are based on currently known factors which may vary overtime, resulting in changes in the measurement of recorded amounts as compared to initial estimates.

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 3. Analysis of turnover

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

Analysis of turnover by country of destination:

	2015 £	2014 £
United Kingdom	735,643	882,440
Rest of the world	7,431	-
	<u>743,074</u>	<u>882,440</u>

## 4. Operating loss

The operating loss is stated after charging:

	2015 £	2014 £
Defined contribution pension cost	<u>11,181</u>	<u>15,862</u>

## 5. Auditors' remuneration

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company:

	2015 £	2014 £
Fees for the audit and preparation of the financial statements of the Company	4,745	2,837
Fees for tax compliance services	1,400	-
	<u>6,145</u>	<u>2,837</u>

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 6. Employees

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

	2015 £	2014 £
Wages and salaries	386,441	523,014
Social security costs	40,040	50,171
Cost of defined contribution scheme	11,181	15,862
	<u>437,662</u>	<u>589,047</u>

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

	2015 No.	2014 No.
Development, professional services and support	8	12
Management and administration	1	1
Sales and marketing	3	3
	<u>12</u>	<u>16</u>

## 7. Directors' remuneration

	2015 £	2014 £
Directors' emoluments	6,592	-
	<u>6,592</u>	<u>-</u>

## 8. Interest receivable

	2015 £	2014 £
Other interest receivable	-	98
	<u>-</u>	<u>98</u>

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 9. Taxation

	2015 £	2014 £
<b>Corporation tax</b>		
Current tax on profits for the year	695	(7,563)
	<u>695</u>	<u>(7,563)</u>
<b>Total current tax</b>	<u>695</u>	<u>(7,563)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	15,032	-
<b>Total deferred tax</b>	<u>15,032</u>	<u>-</u>
<b>Taxation on profit/(loss) on ordinary activities</b>	<u>15,727</u>	<u>(7,563)</u>

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	(108,022)	(153,524)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%)	(21,874)	(32,998)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	6	-
Adjustments to tax charge in respect of prior periods	-	(4,380)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(3,090)	-
Unrelieved tax losses carried forward	41,024	37,624
Other differences leading to an increase (decrease) in the tax charge	(339)	(7,809)
<b>Total tax charge for the year</b>	<u>15,727</u>	<u>(7,563)</u>

### Factors that may affect future tax charges

During the year, the UK corporation tax rate was decreased. Following Budget 2016 announcements, there will be a further reduction in the main rate of corporation tax to 19% from 1 April 2017.

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 10. Tangible fixed assets

	Motor vehicles £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2015	18,117	53,843	71,960
At 31 December 2015	18,117	53,843	71,960
<b>Depreciation</b>			
At 1 January 2015	18,117	53,843	71,960
At 31 December 2015	18,117	53,843	71,960
At 31 December 2015	-	-	-
At 31 December 2014	-	-	-

## 11. Stocks

	2015 £	2014 £
Finished goods and goods for resale	13,793	10,821
	13,793	10,821

## 12. Debtors

	2015 £	2014 £
Trade debtors	56,582	251,285
Amounts owed by group undertakings	862,623	791,493
Other debtors	-	2,633
Prepayments and accrued income	19,762	32,054
Deferred taxation	45,065	60,097
	984,032	1,137,562

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 13. Cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	45,883	60,005
	<u>45,883</u>	<u>60,005</u>

## 14. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	22,151	48,331
Amounts owed to group undertakings	431,185	380,650
Corporation tax	102	-
Taxation and social security	27,342	32,057
Other creditors	4,336	6,720
Accruals	50,014	37,020
	<u>535,130</u>	<u>504,778</u>

The Company pays close attention to its net current assets position. Jonas requires the Company to be party to a central corporate treasury function which allows the group to centrally manage its liquidity and financial risks whilst ensuring capital is deployed globally in the most effective manner. This can mean that locally the financial strength of the Company is not necessarily conveyed by the net current asset position when reading these financial statements in isolation. To fully understand the size and strength of the corporate group of which the Company is a part, these financial statements should be read in conjunction with those of Constellation Software Inc.

# Notes to the Financial Statements

For the Year Ended 31 December 2015

## 15. Financial instruments

	2015 £	2014 £
<b>Financial assets</b>		
Cash at bank and in hand	45,883	60,005
Trade debtors	56,583	251,285
Amounts owed by group undertakings	862,623	791,493
Other debtors	-	2,633
	<u>965,089</u>	<u>1,105,416</u>
<b>Financial liabilities</b>		
Trade creditors	(22,151)	(48,331)
Amounts owed to group undertakings	(431,185)	(380,650)
Other creditors	(4,336)	(6,720)
Accruals	(50,014)	(37,020)
	<u>(507,686)</u>	<u>(472,721)</u>

## 16. Deferred taxation

	Deferred tax £
At 1 January 2015	60,097
Charged to the profit or loss	(15,032)
<b>At 31 December 2015</b>	<u>45,065</u>
In respect of prior year:	
	Deferred tax £
At 1 January 2014	60,097
<b>At 31 December 2014</b>	<u>60,097</u>

# Notes to the Financial Statements

For the Year Ended 31 December 2015

The deferred tax asset is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	19,073	25,087
Tax losses carried forward	25,992	35,010
	<u>45,065</u>	<u>60,097</u>

## 17. Deferred income

	2015 £	2014 £
Deferred income	(233,084)	(304,367)
	<u>(233,084)</u>	<u>(304,367)</u>

## 18. Reserves

### Called-up share capital

Represents the nominal value of shares that have been issued.

### Capital redemption reserve

Represents amounts transferred from share capital on redemption of issued shares.

### Profit and loss account

Includes all current and prior period retained profits and losses.

## 19. Share capital

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
140,100 Ordinary shares of £1 each	140,100	140,100
	<u>140,100</u>	<u>140,100</u>

## 20. Contingent liabilities

The company is party to a group unlimited guarantee and debenture. In the event that bank indebtedness arises in the ultimate parent undertakings, Constellation Software Inc, it is secured by means of an unlimited guarantee and debenture over the assets of the company and other group undertakings.

## 21. Capital commitments

There were no capital commitments as at 31 December 2015 nor 31 December 2014.

## Notes to the Financial Statements

For the Year Ended 31 December 2015

### 22. Pension commitments

The company operates a defined contribution 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 £11,181 (2014: £15,862).

Contributions totaling £2,666 (2014: £6,718) were payable to the fund at the end of the year end date and are included within other creditors.

### 23. Commitments under operating leases

The Company had no commitments under the non-cancellable operating leases as at the balance sheet date.

### 24. Related party transactions

As permitted by FRS101 related party transactions with wholly owned members of Constellation Software Inc have not been disclosed.

### 25. Controlling party

As at 31 December 2015 the company's immediate parent company was Jonas Computing (UK) Limited, a company incorporated in England and Wales, which is the parent of the smallest group of which the company is a member.

Jonas Computing (UK) Limited is owned by Constellation Software UK Holdco, a subsidiary of Constellation Software Inc, a company in Canada, which is the ultimate parent company at the date of signing these financial statements.

Copies of the consolidated financial statements of Constellation Software Inc are publically available.

### 26. First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.