

Company Registration No 01797213 (England and Wales)

REGISTRAR

M A M SOFTWARE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

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M. A. M. SOFTWARE LIMITED

COMPANY INFORMATION

Directors	M I Jamieson M G Jamieson
Secretary	D I Appleyard
Company number	01797213
Registered office	Units 5, 6 and 7 Maple Park Maple Court Tankersley Barnsley S75 3DP
Auditors	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU
Business address	Units 5, 6 and 7 Maple Park Maple Court Tankersley Barnsley S75 3DP

M. A. M. SOFTWARE LIMITED

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M. A. M. SOFTWARE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2012

The directors present their report and financial statements for the year ended 30 June 2012

Principal activities and review of the business

The principal activity of the company continued to be that of the creation and marketing of computer software products

The company had another successful year, with a profit before tax of £2.5 million. Furthermore the company has been highly cash generative. It has maintained an increase of around £600k within the business after the transfer of £600k to the company's US parent, MAM Software Group Inc. specifically for the Group's programme to buy back a proportion of its own common stock. For the coming year we anticipate further success generated by the growth of new products and the further development of existing ones.

Whilst the company did not suffer during the previous recession, it is not necessarily immune to the effect of any future downturn in consumer spending and confidence and the effect that this may have upon its customers. It is also possible that competitors will enter our core market with competitive products. We aim to mitigate this risk by continued development of our products to keep abreast of technological developments and changes in customer expectations.

The risks and uncertainties are largely mitigated by the fact that 72% of the turnover is of a recurring nature and thus any fall in business levels would be gradual.

	2012	2011
Pre-tax profit margin	21%	23%
Current ratio	4.02	3.48
Acid test ratio	3.94	3.42

Whilst operating in a mature market we remain optimistic that our commitment to quality and control of costs will secure our position in the market and profitability in the future.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 July 2011:

M. I. Jamieson

M. G. Jamieson

Auditors

The auditors, Hart Shaw LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

M. A. M. SOFTWARE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

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

- select suitable accounting policies and then apply them consistently,
- make judgements 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.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M G Jamieson

Director

3 September 2012

M. A. M. SOFTWARE LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF M. A. M. SOFTWARE LIMITED

We have audited the financial statements of M A M Software Limited for the year ended 30 June 2012 set out on pages 5 to 20. 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

M. A. M. SOFTWARE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF M. A. M. 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



**Paul Dawson (Senior Statutory Auditor)
for and on behalf of Hart Shaw LLP**

3 September 2012

**Chartered Accountants
Statutory Auditor**

Europa Link
Sheffield Business Park
Sheffield
S9 1XU

M. A. M. SOFTWARE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 £	2011 £
Turnover	2	11,607,115	12,128,951
Cost of sales		(2,131,441)	(2,407,407)
Gross profit		9,475,674	9,721,544
Administrative expenses		(6,908,643)	(6,790,234)
Operating profit	3	2,567,031	2,931,310
Interest payable and similar charges	4	(94,869)	(98,958)
Profit on ordinary activities before taxation		2,472,162	2,832,352
Tax on profit on ordinary activities	5	(622,300)	(786,000)
Profit for the year	17	1,849,862	2,046,352

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

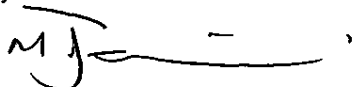
M. A. M. SOFTWARE LIMITED

BALANCE SHEET

AS AT 30 JUNE 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Intangible assets	6	121,685		208,158	
Tangible assets	7	283,369		319,630	
		405,054		527,788	
Current assets					
Stocks	8	219,798		177,458	
Debtors	9	9,204,172		8,408,672	
Cash at bank and in hand		2,148,413		1,543,150	
		11,572,383		10,129,280	
Creditors' amounts falling due within one year	10	(2,877,581)		(2,906,929)	
Net current assets		8,694,802		7,222,351	
Total assets less current liabilities		9,099,856		7,750,139	
Creditors' amounts falling due after more than one year	11	(223,282)		(723,427)	
		8,876,574		7,026,712	
Capital and reserves					
Called up share capital	16	100		100	
Profit and loss account	17	8,876,474		7,026,612	
Shareholders' funds	18	8,876,574		7,026,712	

Approved by the Board and authorised for issue on 3 September 2012



M G Jamieson
Director

Company Registration No. 01797213

M. A. M. SOFTWARE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

	2012	2011
	£	£
Net cash inflow from operating activities	1,897,019	967,853
Returns on investments and servicing of finance		
Interest paid	(49,323)	(51,742)
Hire purchase interest paid	-	-
Interest element of finance lease rentals	(16,885)	(18,133)
Net cash outflow for returns on investments and servicing of finance	(66,208)	(69,875)
Taxation	(672,300)	(854,100)
Capital expenditure		
Payments to acquire intangible assets	(5,773)	-
Payments to acquire tangible assets	(47,330)	(48,193)
Net cash outflow for capital expenditure	(53,103)	(48,193)
Net cash inflow/(outflow) before management of liquid resources and financing	1,105,408	(4,315)
Financing		
New long term bank loan	-	1,324,550
Other new long term loans	(14,047)	(6,825)
Repayment of long term bank loan	(436,454)	(282,844)
Capital element of finance lease contracts	(49,644)	(49,643)
Net cash (outflow)/inflow from financing	(500,145)	(985,238)
Increase in cash in the year	605,263	980,923

M. A. M. SOFTWARE LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

1	Reconciliation of operating profit to net cash inflow from operating activities		2012	2011
			£	£
	Operating profit		2,567,031	2,931,310
	Depreciation of tangible assets		83,591	80,507
	Amortisation of intangible assets		92,246	35,783
	(Increase)/decrease in stocks		(42,340)	65,482
	Increase in debtors		(795,500)	(2,020,962)
	Decrease in creditors within one year		(8,009)	(124,267)
	Net cash inflow from operating activities		1,897,019	967,853

2	Analysis of net funds	1 July 2011	Cash flow	Other non-cash changes	30 June 2012
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,543,150	605,263	-	2,148,413
	Debt				
	Finance leases	(111,340)	49,644	-	(61,696)
	Debts falling due within one year	(436,229)	-	-	(436,229)
	Debts falling due after one year	(661,731)	450,501	-	(211,230)
		(1,209,300)	500,145	-	(709,155)
	Net funds	333,850	1,105,408	-	1,439,258

3	Reconciliation of net cash flow to movement in net funds	2012	2011
		£	£
	Increase in cash in the year	605,263	980,923
	Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	500,145	(985,238)
	Movement in net funds in the year	1,105,408	(4,315)
	Opening net funds	333,850	338,165
	Closing net funds	1,439,258	333,850

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Improvements to short leasehold property	over the life of the lease
Computer equipment	33 33% Straight line
Fixtures, fittings & equipment	10% - 100% Straight line

1.6 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

1 Accounting policies

(continued)

1 10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1 11 Share-based payments

The company has awarded shares and options over shares in MAM Software Group Inc. to certain directors and employees. These are treated as cash-settled and measured at fair value and recognised as an expense in the profit and loss account. The fair value of issuances is estimated at the date of issue using a discount to the closing price of Common Stock at that date.

1.12 Bank loans

Based on the year end results and at the bank's discretion the bank can request that the company makes a cash sweep lump sum repayment. The bank will review this each year. For the current year no such repayment is required by the bank.

2 Turnover

Geographical market

	Turnover	
	2012	2011
	£	£
United Kingdom	11,394,111	11,952,765
Rest of World	213,004	176,186
	<u>11,607,115</u>	<u>12,128,951</u>

3 Operating profit

	2012	2011
	£	£
Operating profit is stated after charging		
Amortisation of intangible assets	92,246	35,783
Depreciation of tangible assets	83,591	80,507
Operating lease rentals		
- Plant and machinery	3,755	4,212
- Other assets	158,392	157,815
Auditors' remuneration (including expenses and benefits in kind)	10,000	10,000

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

4	Interest payable	2012 £	2011 £
	On bank loans and overdrafts	28,661	29,083
	Lease finance charges	16,885	18,133
	Other interest	49,323	51,742
		<u>94,869</u>	<u>98,958</u>
5	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	622,300	786,000
	Total current tax	<u>622,300</u>	<u>786,000</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>2,472,162</u>	<u>2,832,352</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25.50% (2011 - 27.50%)	<u>630,401</u>	<u>778,897</u>
	Effects of		
	Non deductible expenses	(2,006)	8,410
	Depreciation add back	13,400	13,662
	Capital allowances	(15,937)	(18,468)
	Other tax adjustments	(3,558)	3,499
		<u>(8,101)</u>	<u>7,103</u>
	Current tax charge for the year	<u>622,300</u>	<u>786,000</u>

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

6 Intangible fixed assets

	Software development £
Cost	
At 1 July 2011	1,942,783
Additions	5,773
At 30 June 2012	1,948,556
Amortisation	
At 1 July 2011	1,734,625
Charge for the year	92,246
At 30 June 2012	1,826,871
Net book value	
At 30 June 2012	121,685
At 30 June 2011	208,158

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

7 Tangible fixed assets

	Improvem'ts to short leasehold property £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 July 2011	200,705	232,098	162,765	595,568
Additions	-	43,751	3,579	47,330
At 30 June 2012	200,705	275,849	166,344	642,898
Depreciation				
At 1 July 2011	27,596	166,554	81,788	275,938
Charge for the year	10,035	44,170	29,386	83,591
At 30 June 2012	37,631	210,724	111,174	359,529
Net book value				
At 30 June 2012	163,074	65,125	55,170	283,369
At 30 June 2011	173,109	65,544	80,977	319,630

Included above are assets held under finance leases or hire purchase contracts as follows

	Fixtures, fittings & equipment £	Improvem'ts to short leasehold property £	Total £
Net book values			
At 30 June 2012	26,259	163,074	189,333
At 30 June 2011	47,265	173,109	220,374
Depreciation charge for the year			
At 30 June 2012	21,006	10,035	31,041
At 30 June 2011	21,006	10,035	31,041

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

8	Stocks	2012	2011
		£	£
	Finished goods and goods for resale	<u>219,798</u>	<u>177,458</u>
9	Debtors	2012	2011
		£	£
	Trade debtors	1,623,983	1,645,373
	Amounts owed by parent and fellow subsidiary undertakings	7,355,976	6,545,905
	Other debtors	47,075	32,042
	Prepayments and accrued income	161,438	169,652
	Deferred tax asset (see note 12)	<u>15,700</u>	<u>15,700</u>
		<u>9,204,172</u>	<u>8,408,672</u>
10	Creditors: amounts falling due within one year	2012	2011
		£	£
	Bank loans and overdrafts	436,229	436,229
	Net obligations under finance leases	49,644	49,644
	Trade creditors	716,132	607,902
	Corporation tax	296,000	346,000
	Other taxes and social security costs	501,456	526,757
	Accruals and deferred income	<u>878,120</u>	<u>940,397</u>
		<u>2,877,581</u>	<u>2,906,929</u>

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

11 Creditors: amounts falling due after more than one year	2012 £	2011 £
Bank loans	169,023	605,477
Net obligations under finance leases	12,052	61,696
Deferred income	42,207	56,254
	<u>223,282</u>	<u>723,427</u>
Analysis of loans		
Wholly repayable within five years	605,252	1,041,706
	<u>605,252</u>	<u>1,041,706</u>
Included in current liabilities	(436,229)	(436,229)
	<u>169,023</u>	<u>605,477</u>
Loan maturity analysis		
In more than one year but not more than two years	169,023	436,229
In more than two years but not more than five years	-	169,248
	<u>169,023</u>	<u>605,477</u>
Net obligations under finance leases		
Repayable within one year	49,644	49,644
Repayable between one and five years	12,052	61,696
	<u>61,696</u>	<u>111,340</u>
Included in liabilities falling due within one year	(49,644)	(49,644)
	<u>12,052</u>	<u>61,696</u>

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

12 Provisions for liabilities

The deferred tax asset (included in debtors, note 9) is made up as follows.

	2012 £	
Balance at 1 July 2011 & at 30 June 2012	(15,700)	
	2012 £	2011 £
Accelerated capital allowances	1,600	1,600
Other timing differences	(17,300)	(17,300)
	(15,700)	(15,700)

13 Pension and other post-retirement benefit 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. The pension cost charge represents contributions payable by the company to the fund. As at the year end £18,340 of contributions were outstanding, (2011 £16,731)

Defined contribution

	2012 £	2011 £
Contributions payable by the company for the year	97,826	92,158

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

14 Share-based payment transactions

The company grants share-based awards to employees principally on the following bases

Date of award	Eligible employees	Nature of award
May 2008	All employees	Awards of restricted shares that are not registered with the Securities and Exchange Commission and not freely tradable
June 2009	All employees	Awards of restricted shares that are not registered with the Securities and Exchange Commission and not freely tradable
April 2010	Senior employees	Award of shares
November 2010	Senior employees	Option to buy shares under EMI Share Option Contracts
August 2011	Senior employees	Option to buy shares under EMI Share Option Contracts

All awards vest immediately in equities of the company's parent, MAM Software Group Inc. As such they are all treated as cash-settled in accordance with FRS 20

EMI share option contracts.

	2012 Average price \$	Shares option (thousand)	2011 Average price \$	Shares option (thousand)
At 1 July	0.65	1,300	-	-
Granted	-	41	0.65	1,300
At 30 June	0.65	1,341	0.65	1,300

Options are exercisable within 10 years of the Date of Grant and only while the Option Holder holds employment with any member of the MAM Software Group Inc Group

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

15 Secured creditors

The company has a bank loan amounting to £605,252 (2011 £1,041,706) secured by a fixed and floating charge over the assets of the company. Interest is charged at 2.9% above the Bank of England base rate. The loan is repayable in monthly instalments of £38,760 and is fully repayable by October 2013.

In addition the bank has the option to require one off lump sum cash sweep repayments should the company have sufficient cash available. It has been agreed with the bank that a cash sweep repayment will not be required in the current year.

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

16 Share capital	2012 £	2011 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

17 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2011	7,026,612
Profit for the year	1,849,862
Balance at 30 June 2012	8,876,474

18 Reconciliation of movements in shareholders' funds	2012 £	2011 £
Profit for the financial year	1,849,862	2,046,352
Opening shareholders' funds	7,026,712	4,980,360
Closing shareholders' funds	8,876,574	7,026,712

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

19 Financial commitments

At 30 June 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2013

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Operating leases which expire				
Within one year	-	-	-	5,147
Between two and five years	17,650	17,650	252,841	178,447
In over five years	129,025	129,025	-	-
	<u>146,675</u>	<u>146,675</u>	<u>252,841</u>	<u>183,594</u>

20 Directors' remuneration

	2012	2011
	£	£
Remuneration for qualifying services	<u>-</u>	<u>58,516</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 1)

M. A. M. SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2012 Number	2011 Number
Administration and directors	27	26
Sales, service, technical support and development	104	100
	<u>131</u>	<u>126</u>

Employment costs

	2012 £	2011 £
Wages and salaries	4,159,431	4,044,745
Social security costs	439,466	401,231
Other pension costs	97,826	92,158
	<u>4,696,723</u>	<u>4,538,134</u>

22 Control

The ultimate holding company is MAM Software Group Inc, a company incorporated in the United States of America. Copies of the accounts of MAM Software Group Inc are available from 3435 Winchester Road, Suite 100, Allentown, PA 18104, USA.

23 Related party relationships and transactions

Loans to directors

The following directors had interest free loans during the year. The movement on these loans are as follows:

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
M G Jamieson -	-	15,973	12,540	-	-	28,513
		<u>15,973</u>	<u>12,540</u>	<u>-</u>	<u>-</u>	<u>28,513</u>

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.