REGISTERED NUMBER 03749721 (England and Wales)

SCANNED

GMC SOFTWARE TECHNOLOGY LIMITED

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

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COMPANIES HOUSE

Essex Abel Ltd
4 Bank Court
Weldon Road
Loughborough
Leicestershire
LE11 5RF

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

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FOR THE YEAR ENDED 31 DECEMBER 2012

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GMC SOFTWARE TECHNOLOGY LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2012

DIRECTORS.	P Muller M J Davies
SECRETARY:	A Scherrer
REGISTERED OFFICE:	1 Bank Court Weldon Road Loughborough Leicestershire LE11 5RF
REGISTERED NUMBER:	03749721 (England and Wales)
AUDITORS	Essex Abel Ltd 4 Bank Court Weldon Road Loughborough Leicestershire LE11 5RF

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report with the financial statements of the company for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the sale of software and related support activities

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report

P Muller
M J Davies

COUNTRY OF LEGISLATION

The company was incorporated in England & Wales

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, Essex Abel Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting, in accordance with Section 485 of the Companies Act 2006

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2012

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD:



M J Davies - Director

7 February 2013

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GMC SOFTWARE TECHNOLOGY LIMITED

We have audited the financial statements of GMC Software Technology Limited for the year ended 31 December 2012 on pages five to fifteen The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 Report of the Directors 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 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements

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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Report of the Directors

Mr Philip James O'Connor FCCA (Senior Statutory Auditor)
for and on behalf of Essex Abel Ltd (Statutory Auditors)
Chartered Certified Accountants & Registered Auditors
4 Bank Court
Weldon Road
Loughborough
Leicestershire
LE11 5RF

Essex Abel Ltd

Date 07-02-2013

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
CONTINUING OPERATIONS			
Revenue		2,877,556	1,777,217
Cost of sales		(1,539,804)	(1,014,033)
GROSS PROFIT		1,337,752	763,184
Distribution costs		(451,274)	(337,979)
Administrative expenses		(873,869)	(427,014)
OPERATING PROFIT/(LOSS)		12,609	(1,809)
PROFIT/(LOSS) BEFORE INCOME TAX	3	12,609	(1,809)
Income tax	4	(4,983)	(31)
PROFIT/(LOSS) FOR THE YEAR		7,626	(1,840)

The notes on pages 11 to 15 form part of these financial statements

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	£	£
PROFIT/(LOSS) FOR THE YEAR	7,626	(1,840)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	7,626	(1,840)

The notes on pages 11 to 15 form part of these financial statements

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2012

	Notes	2012 £	2011 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	27,516	1,427
Deferred tax	12	9,665	3,109
		37,181	4,536
CURRENT ASSETS			
Trade and other receivables	6	1,105,882	905,638
Cash and cash equivalents	7	363,021	114,329
		1,468,903	1,019,967
TOTAL ASSETS		1,506,084	1,024,503
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	8	12,500	12,500
Retained earnings	9	14,670	7,044
TOTAL EQUITY		27,170	19,544
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	1,467,375	1,004,959
Tax payable		11,539	-
		1,478,914	1,004,959
TOTAL LIABILITIES		1,478,914	1,004,959
TOTAL EQUITY AND LIABILITIES		1,506,084	1,024,503

The financial statements were approved and authorised for issue by the Board of Directors on 7 February 2013 and were signed on its behalf by

M J Davies - Director

The notes on pages 11 to 15 form part of these financial statements

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER 03749721)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2012

	Called up share capital	Retained earnings	Total equity
	£	£	£
Balance at 1 January 2011	12,500	8,884	21,384
Changes in equity			
Total comprehensive income	-	(1,840)	(1,840)
Balance at 31 December 2011	12,500	7,044	19,544
Changes in equity			
Total comprehensive income	-	7,626	7,626
Balance at 31 December 2012	12,500	14,670	27,170

The notes on pages 11 to 15 form part of these financial statements

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER 03749721)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2012

		2012	2011
		£	£
Cash flows from operating activities			
Cash generated from operations	1	285,241	65,309
Net cash from operating activities		285,241	65,309
Cash flows from investing activities			
Purchase of tangible fixed assets		(36,549)	-
Net cash from investing activities		(36,549)	-
Increase in cash and cash equivalents		248,692	65,309
Cash and cash equivalents at beginning of year	2	114,329	49,020
Cash and cash equivalents at end of year	2	363,021	114,329

The notes on pages 11 to 15 form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2012

1 RECONCILIATION OF PROFIT/(LOSS) BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2012 £	2011 £
Profit/(loss) before income tax	12,609	(1,809)
Depreciation charges	10,460	5,169
	23,069	3,360
(Increase)/decrease in trade and other receivables	(200,244)	45,097
Increase in trade and other payables	462,416	16,852
Cash generated from operations	285,241	65,309

2 CASH AND CASH EQUIVALENTS

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts

Year ended 31 December 2012

	31/12/12 £	1/1/12 £
Cash and cash equivalents	363,021	114,329

Year ended 31 December 2011

	31/12/11 £	1/1/11 £
Cash and cash equivalents	114,329	49,020

1 ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS The financial statements have been prepared under the historical cost convention

Revenue recognition
Turnover represents the total invoice value excluding value added tax of sales made during the year Sales are recognised as follows,

Sale of Software Products	Upon signing of contract or on satisfaction of any specific conditions within such a contract
Software Support Income	Over the period of the support contract
Other Income	Upon transfer of economic benefit

Property, plant and equipment
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery	- 50% on cost and 20% on cost
Fixtures and fittings	- 20% on cost

Taxation
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date

Deferred tax is recognised in respect of all timing differences, where material, that have originated but not reversed at the balance sheet date

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction Exchange differences are taken into account in arriving at the operating result

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to the income statement on a straight line basis over the period of the lease

Employee benefit costs
The company operates a defined contribution pension scheme Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate

Cash flow policy
The composition of cash and cash equivalents are not determined as they relate to short term deposits

2 EMPLOYEES AND DIRECTORS

	2012 £	2011 £
Wages and salaries	1,174,000	586,561
Social security costs	144,885	69,216
Other pension costs	56,879	19,631
	1,375,764	675,408

continued

2 EMPLOYEES AND DIRECTORS - continued

The average monthly number of employees during the year was as follows

	2012	2011
Administration	1	1
Support Services	26	4
Sales and Marketing	6	3
	33	8

	2012	2011
	£	£
Directors' remuneration	144,867	117,285
Directors' pension contributions to money purchase schemes	4,083	3,645
Compensation to director for loss of office	-	46,958

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	1	1

3 PROFIT/(LOSS) BEFORE INCOME TAX

The profit before income tax (2011 - loss before income tax) is stated after charging

	2012	2011
	£	£
Cost of inventories recognised as expense	1,539,804	1,014,033
Other operating leases	40,400	21,120
Depreciation - owned assets	10,460	5,170
Auditors' remuneration	6,067	6,816
Foreign exchange differences	4	11,623

Fees paid to the auditors' in respect of non audit services paid in the year were as follows

Corporation and other taxation services	385	1,000
Remuneration services	1,671	1,276
All other services	36,927	30,907

4 INCOME TAX

Analysis of tax expense

	2012	2011
	£	£
Current tax		
Corporation tax -current year	11,539	-
Deferred tax	(6,556)	31
Total tax expense in income statement	4,983	31

continued

4 **INCOME TAX - continued**

Factors affecting the tax expense
The tax assessed for the year is higher than the standard rate of corporation tax in the UK The difference is explained below

	2012 £	2011 £
Profit/(loss) on ordinary activities before income tax	12,609	(1,809)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24 500% (2011 - 26 500%)	3,089	(479)
Effects of		
Expenses not deductible for tax purposes	1,284	189
Impairment of deferred tax asset	520	-
Impact from changes in local tax legislation and/or local tax rates	90	321
Tax expense	4,983	31

The standard rate of corporation tax in the UK changed from 26% to 24% with effect from 1 April 2012

The company has relieved in full tax losses brought forward and had no unused tax losses remaining at the year end (2011 - £5,530)

Based on current capital investment plans, the company expects to continue to recognise depreciation in excess of capital allowances in future years but at a lower level than in the current year

5 **PROPERTY, PLANT AND EQUIPMENT**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2012	-	42,891	9,272	52,163
Additions	11,843	10,362	14,344	36,549
Disposals	-	(26,829)	(8,810)	(35,639)
At 31 December 2012	11,843	26,424	14,806	53,073
DEPRECIATION				
At 1 January 2012	-	41,497	9,239	50,736
Charge for year	2,551	5,963	1,946	10,460
Eliminated on disposal	-	(26,829)	(8,810)	(35,639)
At 31 December 2012	2,551	20,631	2,375	25,557
NET BOOK VALUE				
At 31 December 2012	9,292	5,793	12,431	27,516
At 31 December 2011	-	1,394	33	1,427

continued

6 TRADE AND OTHER RECEIVABLES

	2012	2011
	£	£
Current		
Trade debtors	1,024,966	850,490
Other debtors	1,350	405
Accrued income	19,733	-
Prepayments	59,833	54,743
	1,105,882	905,638

7 CASH AND CASH EQUIVALENTS

	2012	2011
	£	£
Bank accounts	363,021	114,329

8 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Number	Class	Nominal value	2012	2011
			£	£
12,500	Ordinary	£1	12,500	12,500

An Ordinary share entitles the holder to one vote All shares entitle the holder to the same proportion of assets and earnings, and carry equal rights in terms of dividends

9 RESERVES

	Retained earnings
	£
At 1 January 2012	7,044
Profit for the year	7,626
At 31 December 2012	14,670

10 TRADE AND OTHER PAYABLES

	2012	2011
	£	£
Current		
Payments on account	-	269
Trade creditors	63,564	31,416
GMC Software Technology AG	339,642	227,757
Social security and other taxes	53,290	28,674
Accruals and deferred income	912,316	670,818
VAT	98,563	46,025
	1,467,375	1,004,959

continued

11 LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows

	2012 £	2011 £
Between one and five years	38,250	32,981

12 DEFERRED TAX

	2012 £	2011 £
Balance at 1 January	(3,109)	(31)
Accelerated capital allowances	(6,637)	(1,681)
Retirement benefit obligations	(1,836)	-
Tax losses utilised/(created)	1,397	(1,397)
Change in tax rates	520	-
Balance at 31 December	(9,665)	(3,109)

The amount of the deferred tax asset of £9,665 (2011 - £3,109) expected to be recovered after more than 12 months is £7,741 (2011 - £NIL)

Deferred tax assets are recognised for deductible temporary differences and unutilised tax losses to the extent that realisation of the related tax benefit through future taxable income is probable The company has unrecognised deductible temporary differences of £7,494 to carry forward against future taxable income

13 PENSION COMMITMENTS

The company operates a defined contribution scheme Contributions paid into the scheme during the year totalled £56,879 (2011 - £19,631) As at 31 December 2012, outstanding liabilities due to the fund were £7,494 (2011 - NIL)

14 ULTIMATE PARENT COMPANY

The largest group in which results of the company are consolidated is that headed by Neopost SA, incorporated in France and listed on the Premier Marché of Euronext Paris stock market

15 RELATED PARTY DISCLOSURES

The company has taken advantage of IAS 24 All material related party transactions will be included within the consolidated financial statements of the group due to the company being a 100% subsidiary

16 ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party

17 PARENT COMPANY

The parent company is GMC Software Technology AG, which owns 100%, of the issued share capital The company is incorporated in Switzerland