REGISTERED NUMBER: 03749721 (England and Wales)

GMC SOFTWARE TECHNOLOGY LIMITED

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2016



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

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

CONTENTS OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2016

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	3 to 4
Statement of Profit or Loss	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Statement of Cash Flows	10
Notes to the Financial Statements	11 to 21

GMC SOFTWARE TECHNOLOGY LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JANUARY 2016

DIRECTORS:	M J Davies A Scherrer I D Clarke
SECRETARY:	A Scherrer
REGISTERED OFFICE:	Suite 24, Second Floor 250 South Oak Way Green Park Reading Berkshire RG2 6UG
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 JANUARY 2016

The directors present their report with the financial statements of the company for the year ended 31 January 2016.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 February 2015 to the date of this report.

M J Davies
A Scherrer
I D Clarke

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.

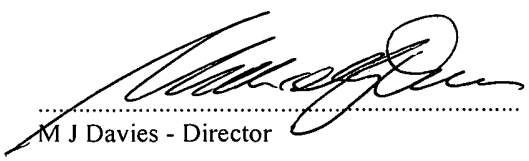
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

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

ON BEHALF OF THE BOARD:



M J Davies - Director

Date: 31/05/16

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 January 2016 on pages five to twenty one. 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 January 2016 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

GMC SOFTWARE TECHNOLOGY 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or 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)
4 Bank Court
Weldon Road
Loughborough
Leicestershire
LE11 5RF

Essex Abel Ltd

Date: 13 September 2016

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 JANUARY 2016

	Notes	2016 £	2015 £
CONTINUING OPERATIONS			
Revenue		5,142,616	4,434,835
Cost of sales		(3,146,588)	(2,618,353)
GROSS PROFIT		1,996,028	1,816,482
Distribution costs		(843,819)	(687,631)
Administrative expenses		(916,326)	(999,971)
OPERATING PROFIT		235,883	128,880
Finance costs	4	(709)	(155)
PROFIT BEFORE INCOME TAX	5	235,174	128,725
Income tax	6	(48,737)	(28,295)
PROFIT FOR THE YEAR		186,437	100,430

The notes on pages 11 to 21 form part of these financial statements

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JANUARY 2016

	2016 £	2015 £
PROFIT FOR THE YEAR	186,437	100,430
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	186,437	100,430

The notes on pages 11 to 21 form part of these financial statements

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

STATEMENT OF FINANCIAL POSITION

31 JANUARY 2016

	Notes	2016 £	2015 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	3,328	12,929
Deferred tax	15	12,874	13,511
		16,202	26,440
CURRENT ASSETS			
Trade and other receivables	8	3,167,577	2,193,534
Tax receivable		11,292	-
Cash and cash equivalents	9	697,097	425,793
		3,875,966	2,619,327
TOTAL ASSETS		3,892,168	2,645,767
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	10	12,500	12,500
Retained earnings	11	327,717	141,280
TOTAL EQUITY		340,217	153,780
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	12	4,570	-
CURRENT LIABILITIES			
Trade and other payables	12	3,547,381	2,469,379
Tax payable		-	22,608
		3,547,381	2,491,987
TOTAL LIABILITIES		3,551,951	2,491,987
TOTAL EQUITY AND LIABILITIES		3,892,168	2,645,767

The financial statements were approved and authorised for issue by the Board of Directors on 31/8/16 and were signed on its behalf by:

M J Davies - Director

The notes on pages 11 to 21 form part of these financial statements

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2014	12,500	40,850	53,350
Changes in equity			
Total comprehensive income	-	100,430	100,430
Balance at 31 January 2015	12,500	141,280	153,780
Changes in equity			
Total comprehensive income	-	186,437	186,437
Balance at 31 January 2016	12,500	327,717	340,217

The notes on pages 11 to 21 form part of these financial statements

GMC SOFTWARE TECHNOLOGY LIMITED (REGISTERED NUMBER: 03749721)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2016

		2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	361,517	140,914
Interest paid		(709)	(155)
Tax paid		(82,000)	(20,889)
Net cash from operating activities		278,808	119,870
Cash flows from investing activities			
Purchase of tangible fixed assets		(8,253)	(10,048)
Sale of tangible fixed assets		749	290
Net cash from investing activities		(7,504)	(9,758)
Increase in cash and cash equivalents		271,304	110,112
Cash and cash equivalents at beginning of year	2	425,793	315,681
Cash and cash equivalents at end of year	2	697,097	425,793

The notes on pages 11 to 21 form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2016

1. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before income tax	235,174	128,725
Depreciation charges	17,043	11,852
Loss/(profit) on disposal of fixed assets	62	(290)
Finance costs	709	155
	252,988	140,442
Increase in trade and other receivables	(974,043)	(606,752)
Increase in trade and other payables	1,082,572	607,224
Cash generated from operations	361,517	140,914

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 January 2016

	31/1/16	1/2/15
	£	£
Cash and cash equivalents	697,097	425,793

Year ended 31 January 2015

	31/1/15	1/2/14
	£	£
Cash and cash equivalents	425,793	315,681

1. GENERAL INFORMATION

GMC Software Technology Limited is a private limited company incorporated in England and Wales under the Companies Act. The address of the registered office is given in the company information section and its principal place of business is at Suite 24, Second Floor, 250 South Oak Way, Green Park, Reading, Berkshire, RG2 6UG.

The financial statements are presented in Sterling (£) and rounded to the nearest £0.

2. 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
Subscription Rental Income	Over the period of the rental 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

Financial instruments
The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties.

Debt instruments, like loans and other accounts receivable and payable, are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

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.

continued...

2. ACCOUNTING POLICIES - continued

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 and cash equivalents
Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities when applicable.

In the Cash Flow Statement, cash and cash equivalents are shown separate to bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade receivables
Trade and other receivables are initially recognised at the transaction price and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the debtors are stated at cost less impairment losses for bad and doubtful debts.

A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms, or when they meet the company impairment recognition policy. The amount of the provision is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows, and is recognised in the statement of profit or loss in administrative expenses.

Trade and other payables
Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

3. EMPLOYEES AND DIRECTORS

	2016 £	2015 £
Wages and salaries	1,375,547	1,431,549
Social security costs	165,412	157,528
Other pension costs	45,224	50,433
	1,586,183	1,639,510

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

	2016	2015
Administration & Marketing	3	10
Support Services	14	20
Sales	12	8
	29	38

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3. EMPLOYEES AND DIRECTORS - continued

	2016	2015
	£	£
Directors' remuneration	142,550	196,616
Directors' pension contributions to money purchase schemes	5,250	5,042

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

Money purchase schemes	1	1

4. NET FINANCE COSTS

	2016	2015
	£	£
Finance costs:		
Other interest	709	-
Corporation Tax Interest	-	155
	709	155

5. PROFIT BEFORE INCOME TAX

The profit before income tax is stated after charging/(crediting):

	2016	2015
	£	£
Other operating leases	53,185	43,051
Depreciation - owned assets	17,043	11,852
Loss/(profit) on disposal of fixed assets	62	(290)
Auditors' remuneration	6,550	5,159
Foreign exchange differences	5,500	38,979

6. INCOME TAX

Analysis of tax expense

	2016	2015
	£	£
Current tax:		
Corporation tax -current year	48,100	30,108
Corporation tax adjustment	-	(36)
Total current tax	48,100	30,072
Deferred tax	637	(1,777)
Total tax expense in statement of profit or loss	48,737	28,295

continued...

6. 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:

	2016 £	2015 £
Profit on ordinary activities before income tax	235,174	128,725
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.170% (2015 - 21.330%)	47,435	27,457
Effects of:		
Expenses not deductible for tax purposes.	1,057	879
Impact from changes in local tax legislation and/or local tax rates	948	(5)
Tax adjustment for prior years	(703)	(36)
Tax expense	48,737	28,295

The Finance Act 2013 included legislation to reduce the main rate of corporation tax from 21% to 20% from 1 April 2015, which has therefore been reflected in these financial statements.

The deferred tax asset at 31 January 2016 has been calculated based on effective rate of 20.17%. The impact of this change in future periods will be dependent on the level of taxable profits in those periods.

In this financial period, the UK corporation tax standard rate was mainly chargeable at 20.17% (2015: 21.33%).

The effective tax rate of differs from the UK corporation tax rate principally due to the non-deductibility of depreciation charged on capital expenditure, and other permanent differences arising in the period.

7. PROPERTY, PLANT AND EQUIPMENT

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 February 2015	11,843	36,472	14,806	63,121
Additions	-	8,253	-	8,253
Disposals	(11,843)	(6,398)	(3,025)	(21,266)
At 31 January 2016	-	38,327	11,781	50,108
DEPRECIATION				
At 1 February 2015	10,775	31,065	8,352	50,192
Charge for year	1,068	13,277	2,698	17,043
Eliminated on disposal	(11,843)	(6,398)	(2,214)	(20,455)
At 31 January 2016	-	37,944	8,836	46,780
NET BOOK VALUE				
At 31 January 2016	-	383	2,945	3,328
At 31 January 2015	1,068	5,407	6,454	12,929

continued...

8. TRADE AND OTHER RECEIVABLES

	2016	2015
	£	£
Current:		
Trade debtors	2,559,803	1,795,102
Amounts owed by group undertakings	239,680	165,898
Accrued income	336,296	118,983
Prepayments	31,798	113,551
	3,167,577	2,193,534

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

All of the company's trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired and an allowance for credit losses of £28,314 (2015: £88,918) has been recorded accordingly within 'administrative expenses' in profit or loss. The impaired trade receivables due from customers in the company's business-to-business market that are either experiencing financial difficulties or are slow at paying and meet the impairment recognition criteria for the ageing of the invoices outstanding.

Information about the company's exposure to credit and market risks as well as impairment losses for trade receivables are included in note 14.

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components:

	2016	**2015**
	£	**£**
Cash at bank and in hand:		
Denominated in GBP	517,697	316,553
Denominated in Euro	179,401	109,240
	697,098	425,793

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
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.

continued...

11. RESERVES

	Retained earnings £
At 1 February 2015	141,280
Profit for the year	186,437
At 31 January 2016	327,717

12. TRADE AND OTHER PAYABLES

	2016 £	2015 £
Current:		
Payments on account	75	-
Trade creditors	62,154	59,108
Amounts owed to group undertakings	1,599,777	1,116,208
Social security and other taxes	71,374	70,444
Accruals and deferred income	1,384,627	1,015,484
Pension creditor	7,169	18,495
VAT	422,205	189,640
	3,547,381	2,469,379
Non-current:		
Other creditors	4,570	-
Aggregate amounts	3,551,951	2,469,379

Information about the company's exposure to credit and market risks are included in note 14.

13. LEASING AGREEMENTS

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

	2016 £	2015 £
Within one year	5,907	10,938

continued...

14. FINANCIAL INSTRUMENTS

Breakdown of the statement of financial position by financial instruments for the following measurement categories.

For the year end 31 January 2016

In Sterling

	Carrying value	Breakdown by instrument category	
Financial assets measured at amortised cost and not fair value		Loans and receivables	Other financial assets
Trade and other receivables (a)	**3,178,869**	3,178,869	-
Cash and cash equivalents (a)	**697,097**	697,097	-
ASSETS	**3,875,966**	3,875,966	-

Financial liabilities measured at amortised cost and not fair value		Debt loans	Other financial liabilities
Trade payables (a)	**1,662,006**	-	1,662,006
Other operating liabilities (a)	**1,889,945**	-	1,889,945
LIABILITIES	**3,551,951**	-	3,551,951

For the year end 31 January 2015

In Sterling

Financial assets measured at amortised cost and not fair value		Loans and receivables	Other financial assets
Trade and other receivables (a)	**2,193,534**	2,193,534	-
Cash and cash equivalents (a)	**425,793**	425,793	-
ASSETS	**2,619,327**	2,619,327	-

Financial liabilities measured at amortised cost and not fair value		Debt loans	Other financial liabilities
Trade payables (a)	**1,175,316**	-	1,175,316
Other operating liabilities (a)	**1,316,671**	-	1,316,671
LIABILITIES	**2,491,987**	-	2,491,987

(a) Historical cost valuation.

Risk management objectives and policies

The company is exposed to various risks in relation to financial instruments. The company's financial assets and liabilities by category are summarised above. The main types of risk it is exposed to is credit risk and market risk.

continued...

The company's risk management is coordinated at its headquarters, in close co-operation with the board of directors, and focuses on actively securing the company's short to medium-term cash flows by minimising the exposure faced.

The company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the company is exposed are described below.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the company. The company is exposed to this risk for various financial instruments, for example receivables to customers and placing deposits etc.

The company continuously monitors defaults of customers, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The company's policy is to deal only with creditworthy counterparties.

The carrying amount of financial assets represents the maximum credit exposure.

None of the company's financial assets, as summarised in the tables above, are secured by collateral or other credit enhancements.

The company's management considers that all the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality. The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade and other receivables

In respect of trade and other receivables, the company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consists of numerous customers in various industries. Based on historical information about customer default rates, management consider the credit quality of trade receivables that are not past due or impaired to be good.

Some of the unimpaired trade receivables are past due as at the reporting date. No other financial assets are past due at the end of the reporting period. Trade receivables past due but not impaired can be shown as follows;

	2016	2015
Accounts receivable - Gross value'	**£**	**£**
Not overdue	1,020,257	1,122,765
Overdue:		
< 30 days	1,291,460	406,626
31-60 days	92,216	86,697
61-90 days	61,260	32,543
91-180 days	59,892	96,964
181-360 days	34,718	49,507
Total	2,559,803	1,795,102

The carrying amount of trade receivables that are individually impaired is £28,314 (2015: £88,918). No collateral is available for individually impaired trade receivables. Determining impairment is based on an individual assessment of the customer, such as the use of external credit ratings and assessment of their ability to pay and their historic payment behaviour.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

continued...

Currency risk

Most of the company's transactions are carried out in Sterling which is its functional currency.
The company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and financial instruments are denominated and the respective functional currencies of other Group companies.
The currencies in which these transactions are primarily denominated are euro and sterling.

To mitigate the company's exposure to foreign currency risk, non Sterling cash flows are monitored and in accordance with the company's risk management policies. Generally, the company's risk management procedures distinguish short term foreign currency cash flows (due within 12 months) from longer-term cash flows (due after 12 months). Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken. The company does not enter into forward exchange contracts to mitigate the exposure to foreign currency risks on its financial instruments.

Foreign currency denominated financial assets and liabilities which expose the company to currency risk are disclosed below. The amounts shown are those reported to key management translated into Sterling at the closing rate:

Short term exposure

	Euro	ZAR	USD
31 January 2016	£	£	£
Financial assets	349,764	216,491	10,121
Financial liabilities	(36,992)	-	-
Net statement of financial position exposure	**312,772**	**216,491**	**10,121**

	Euro	ZAR	USD
31 January 2015	£	£	£
Financial assets	275,513	-	-
Financial liabilities	-	-	-
Net statement of financial position exposure	**275,513**	-	-

Sensitivity analysis

The following table illustrates the sensitivity of profit for the year and equity in regards to the company's financial assets and financial liabilities and the EUR/ZAR/USD exchange rates against the pound sterling.

It assumes a +/- percentage change in the exchange rates for the year ended at 31 January 2016. The percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the company's foreign currency financial instruments held at each reporting date.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 January 2016				
EUR (2% movement)	6,294	(6,294)	(5,024)	5,024
ZAR (33% movement)	72,845	(72,845)	(58,152)	58,152
USD (5% movement)	(499)	499	398	(398)
31 January 2015				
EUR (8% movement)	21,378	(21,378)	(16,818)	16,818

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the company's exposure to currency risk.

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15. DEFERRED TAX

	2016 £	2015 £
Balance at 1 February	(13,511)	(11,734)
Accelerated capital allowances	(624)	182
Retirement benefit obligations	2,183	(1,954)
Tax losses utilised/(created)		
Change in tax rates	-	(5)
Long-term incentive obligations	(922)	-
Balance at 31 January	(12,874)	(13,511)

The amount of the deferred tax asset of £12,874 (2015 - £13,511) expected to be recovered after more than 12 months is £2,571 (2015 - £2,526).

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.

16. PENSION COMMITMENTS

The company operates a defined contribution scheme. Contributions paid into the scheme during the year totalled £45,224 (2015 - £50,433). As at 31 January 2016, outstanding liabilities due to the fund were £7,169 including employee contributions (2015 - £18,495).

17. 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, and this is regarded by the directors as being the company's ultimate parent company.

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

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18. RELATED PARTY DISCLOSURES

Trading transactions
During the year the company entered into the following trading transactions with related parties which were in the normal course of business:

Parent company	2016	2015
	£	£
Amounts due (to) / from related parties	210,340	(1,116,208)
Sale of services rendered / goods	-	-
Purchase of services rendered / goods	2,709,058	1,907,526

Other companies within the group	2016	2015
	£	£
Sale of services rendered / goods	757,761	793,454
Purchase of services rendered / goods	175,493	177,403
Amounts due to related parties	1,599,777	-
Amounts due from related parties	29,340	165,898

The amount outstanding is unsecured and no guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amount owed by related parties.

Compensation of key management personnel
The remuneration of directors and other members of key management personnel during the year was as follows:

	2016	2015
	£	£
Short-term benefits	137,980	196,616
Long-term incentive plan	4,570	-
Post-employment benefits	5,250	5,042
	147,800	201,658

The above compensation of key management personnel costs do not represent the entire costs, as some of the key management personnel are remunerated by other group companies and are disclosed accordingly in the other group companies financial statements.