

Company Registration No 03716736

ISOFT GROUP (UK) LIMITED

Report of the directors and Financial Statements

Period from 1 April 2012 to 31 March 2013

MONDAY



L3B60NNL

LD3

30/06/2014

#17

COMPANIES HOUSE

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER. 03716736)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

	Page
Company Information	1
Report of the Directors	2-4
Report of the Independent Auditors	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 17

ISOFT GROUP (UK) LIMITED
COMPANY INFORMATION
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013

DIRECTORS

A Fiumicelli
S Adams

SECRETARY

M Woodfine

REGISTERED OFFICE

Royal Pavilion
Wellesley Road
Aldershot
Hampshire
GU11 1PZ

REGISTERED NUMBER. 03716736 (England and Wales)

AUDITORS

Deloitte LLP
Chartered Accountants
St Albans , United Kingdom

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER. 03716736)

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

The directors present their annual report and the audited financial statements for the period from 1 April 2012 to 31 March 2013

RESULTS & ACTIVITIES FOR THE PERIOD

Operating loss was £(45.4)m (2012 - £(37.3)m loss) and retained loss was £(25.7)m (2012 - £(31.3)m loss), which was transferred from reserves. Operating loss includes exceptional profit in the period of £(41.5)m (2012 - £(35.2)m cost)

On 29 March 2013 the members of the Company passed a Special Resolution under section 654 of the Companies Act 2006 to reduce the share capital from 249,674,743 Ordinary £0.10 shares to 10 Ordinary £0.10 shares. The capital reduction exercise has resulted in a transfer of £24,968,000 of share capital and £56,906,000 of share premium into the profit and loss account reserve as a distributable reserve.

PRINCIPAL ACTIVITY

The principal activities of the Company are the provision of management services (including financial planning and assistance, Human Resources, commercial planning and assistance, public affairs and marketing, and data processing and computer services), funding to fellow group undertakings, and as an intermediate holding company within the CSC group.

REVIEW OF BUSINESS

The key performance indicators during the period were

	2013	2012
Operating loss before exceptional items	£(3.9)m	£(2.1)m
Operating loss before taxation	£(25.7)m	£(31.3)m
Retained loss	£(25.7)m	£(31.3)m

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company are broadly grouped as financial risk.

Financial Risks The Company is subject to financial risk arising from changes in market conditions affecting interest rates, from counterparty risk of failing to discharge an obligation and the impact of changing foreign exchange rates.

MANAGEMENT OF RISK

Credit risk is managed by agreeing payment terms in advance, including invoicing periods for long term contracts and payments in advance. Appropriate credit control procedures are followed at all operations where credit risk is perceived.

The Company's transactions are predominantly in Sterling, but some transactions (sales and purchases) are in other currencies and the Company is therefore exposed to the movement in foreign exchange rates. The CSC Group's treasury function matches receipt and payments in foreign currencies to manage risk at a Group level.

ENVIRONMENT

The company recognises that achieving success in environmental and social management is a joint responsibility between employees and management. Active employee participation in community events and charities is strongly supported through the provision of time and the internal promotion and support for such activities.

The directors recognise that whilst the Company's business activities as a developer and supplier of software applications have minimal direct environmental impact, there are environmental impacts in running the Company and our commitment to adopting best practice evidences our responsibility. The Company's environmental policy aims to raise the awareness of environmental matters, establish standards, assess the impact of its business activities on the environment, set improvement objectives and monitor performance against those objectives.

The Company's philosophy is to establish a paperless working environment wherever appropriate. This is supported through the automation of a number of internal management and administrative processes such as performance appraisals, job profiles, competency framework, and annual leave requests. The Company continues to look for ways to move closer to a paperless working environment.

The Company also encourages staff to minimise unnecessary travel by using web exchange and video conferencing facilities and working from home in appropriate circumstances.

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

EMPLOYEES

Details of the number of employees and related costs can be found in the notes to the financial statements

The Company is a committed equal opportunities employer and operates working practices to promote an employment environment that is free from discrimination and harassment

It is the Company's policy to ensure that all employees and applicants are treated equally, regardless of gender, marital status, race, colour, disability or sexual orientation. Disabled individuals are offered the same opportunities as others, and the Company actively supports the employment of disabled persons and in the retention of employees who become disabled whilst in the employment of the Company

DIVIDENDS

The directors do not recommend the payment of a dividend (2012 - £nil)

FUTURE DEVELOPMENTS

The directors expect the principal activity of the Company to remain unchanged and continue to seek opportunities to enhance shareholder value

GOING CONCERN

The directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements (see note 1)

DIRECTORS

A Fiumicelli has held office during the whole of the period from 1 April 2012 to the date of this report

Other changes in directors holding office are as follows

A Thomson	resigned 30 August 2013
A Stevens	resigned 30 June 2012
S Adams	appointed 12 November 2013

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

During the period the Company maintained insurance cover for Directors' and Officers' liability as permitted under section 233 of the Companies Act 2006

COMPANY'S POLICY ON PAYMENT OF CREDITORS

It is the Company's policy to confirm the terms of payment with suppliers when agreeing the terms of the transaction to ensure that suppliers are aware of these terms. Payments are contingent on the supplier providing goods or services to the required standard and purchasing is sometimes co-ordinated between Group undertakings

Trade creditors at the period end amount to 34 days (2012 - 47 days) of average suppliers for the period

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

POLITICAL AND CHARITABLE CONTRIBUTIONS

No charitable or political donations were made during the period (2012 - £nil)

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 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,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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.

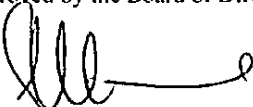
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

- * 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

Deloitte LLP were appointed as auditor during the period and have indicated their willingness to continue in office as auditor. A resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board


S Adams
Director

30 June 2014

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ISOFT GROUP (UK) LIMITED

We have audited the financial statements of iSOFT Group (UK) Limited for the period from 1 April 2012 to 31 March 2013 which comprise the profit and loss account, the balance sheet and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 annual 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 31 March 2013 and of its profit for the period from 1 April 2012 to 31 March 2013,
- 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.

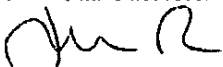
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period 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.


Julian Rae (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
St Albans
United Kingdom

30 June 2014

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

			Period 1 April 2012 31 March 2013 £'000	Period 1 July 2011 31 March 2012 £'000
	Notes	£'000	£'000	£'000
Turnover	2		665	518
Cost of sales			(617)	(461)
Gross profit			<u>48</u>	<u>57</u>
Administrative expenses - other			(3,963)	(2,133)
- exceptional items	6		(41,492)	(35,216)
OPERATING LOSS	5		<u>(45,406)</u>	<u>(37,292)</u>
Dividend received			20,295	-
Interest receivable - on intra group balances		295		3,878
Other interest receivable and similar income	7	<u>1,417</u>		13,875
			1,712	17,753
Interest payable	7		<u>(2,319)</u>	<u>(11,739)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			<u>(25,718)</u>	<u>(31,278)</u>
Tax on loss on ordinary activities	8		-	-
LOSS FOR THE FINANCIAL PERIOD			<u><u>(25,718)</u></u>	<u><u>(31,278)</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current period or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current period or previous year

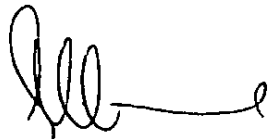
ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**BALANCE SHEET
31 MARCH 2013**

	Notes	£'000	31 March 2013 £'000	31 March 2012 £'000
FIXED ASSETS				
Investments	9		87,157	140,878
CURRENT ASSETS				
Debtors	10	58,701		51,916
Cash at bank and in hand		29		325
		58,729		52,241
CREDITORS, amounts falling due within one year	11	(94,716)		(214,885)
NET CURRENT LIABILITIES			(35,987)	(162,644)
TOTAL ASSETS LESS CURRENT LIABILITIES			51,170	(21,766)
PROVISIONS FOR LIABILITIES	14		-	(53)
NET ASSETS			51,170	(21,819)
CAPITAL AND RESERVES				
Called up share capital	16		-	24,968
Share premium	17		-	56,906
Merger reserve	17		-	88,683
Profit and loss account	17		51,170	(192,376)
SHAREHOLDER'S FUNDS	20		51,170	(21,819)

These financial statements were approved by the Board of Directors and authorised for issue on 30 June 2014

Signed on behalf of the Board of Directors of iSOFT Group (UK) Limited registered in England, No 03716736



S Adams
Director

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER 03716736)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards

Preparation of consolidated financial statements

The financial statements contain information about ISOFT Group (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of CSC Computer Sciences Australia Holdings Pty Ltd, a company registered in Australia

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements

Turnover

Turnover represents the fair value of consideration received or receivable from clients for goods or services provided by the Company, net of discounts and value added tax

Revenue from system sales is recognised when a signed contract exists, delivery to a customer has occurred with no significant vendor obligations remaining and where collection of the resulting receivable is considered probable. In instances where a significant vendor obligation exists, revenue recognition is delayed until the obligation is satisfied

The Company enters into arrangements involving the delivery and implementation of a given software product against predetermined milestones and anticipated future maintenance and support. In arrangements where the revenue from the sale of product licences is not clearly separable from the revenue for installation and services, then the revenue is recognised on a percentage completion basis over the period of the installation with due regard for anticipated future costs. Support revenues in such cases are recognised from implementation over the remaining period of the arrangement. Where a loss is expected to occur, it is recognised immediately and a provision is made in relation to any future work or delivery of goods

The Company also enters into bundled service arrangements, whereby it enters into arrangements to make certain software applications available for the duration of the arrangements. As the fair value of services deliverables and maintenance and support to be provided under such supply arrangements are not clearly separable from the software supply, revenue is recognised on a percentage of completion basis over the period of the arrangement

Taxation

The charge for taxation is based on the profit / (loss) for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the exception that the directors consider that it is more likely than not that there will be suitable taxation profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Where law or accounting standards require gains or losses to be recognised in the statement of total recognised gains and losses, the related taxation is also taken directly to the statement of total recognised gains and losses

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

1 ACCOUNTING POLICIES (continued)

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet 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.

Pension Costs and other post-retirement benefits

The company operates a defined contribution pension scheme, administered by a third party that is available to all directors and employees. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Going concern

The financial statements are prepared on a going concern basis which assumes the Company will continue in operational existence for the foreseeable future.

On the basis of their assessment of the Company's financial position, and the support confirmed by the ultimate parent company directors, the directors have a reasonable expectation that the Company will have sufficient resources to continue in operational existence for the foreseeable future and for this reason continue to adopt the going concern basis of accounting in preparing the financial statements.

Provisions

Provisions are recognised where the Company has a present obligation arising from a past event and it is probable that the Company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

Provisions are reviewed on a regular basis and any changes in valuation are taken to the profit and loss account.

Leased assets

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Fixed asset investments

Investments in subsidiary undertakings and joint ventures are stated at cost less provision for impairment.

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

2. TURNOVER

Turnover represents amounts for the provision of services which fall within the Company's continuing activities, stated net of value added tax. All turnover relates to the United Kingdom.

3. STAFF COSTS

	Period 1 April 2012 to 31 March 2013 £'000	Period 1 July 2011 to 31 March 2012 £'000
Wages and salaries	1,321	2,328
Social security costs	228	459
Other pension costs	35	25
	<u>1,584</u>	<u>2,812</u>

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

	Period 1 April 2012 to 31 March 2013	Period 1 July 2011 to 31 March 2012
Administration	<u>12</u>	<u>22</u>

4. DIRECTORS' EMOLUMENTS

	Period 1 April 2012 to 31 March 2013 £'000	Period 1 July 2011 to 31 March 2012 £'000
Directors' remuneration	666	769
Directors' pension contributions to money purchase schemes	2	12
Compensation to director for loss of office	-	77
Amounts receivable under long term incentive schemes	-	146
	<u></u>	<u></u>

The amounts recoverable under long term incentive schemes were amounts paid as compensation for withdrawal of an EIPP scheme and performance rights after the acquisition of the company by CSC.

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

	<u>1</u>	<u>1</u>
Money purchase schemes		

One director received shares under long term incentive schemes (2012 - one director)

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

4 DIRECTORS' EMOLUMENTS - continued

Information regarding the highest paid director is as follows

	Period 1 April 2012 to 31 March 2013 £'000	Period 1 July 2011 to 31 March 2012 £'000
Emoluments	666	686
Amounts receivable under long term incentive schemes	-	146
	<u>666</u>	<u>832</u>

The directors' remuneration noted above represents the remuneration of directors directly employed by the Company in relation to services provided to both the Company and fellow CSC group companies without recourse. The remaining directors neither receive, nor waived any right to emoluments in respect of their services to the Company in the period (2012 - £nil)

5. OPERATING LOSS

The operating loss is stated after charging/(crediting)

	Period 1 April 2012 to 31 March 2013 £'000	Year Ended 1 July 2011 to 31 March 2012 £'000
Auditors' remuneration - audit of the Company's annual accounts	20	185
- audit of subsidiaries' accounts without recourse	-	65
- audit related assurance services	-	930
Foreign exchange differences	(2,024)	(463)
Auditors' remuneration - taxation services	-	69
	<u>(1,994)</u>	<u>661</u>

6. EXCEPTIONAL ITEMS

	Period 1 April 2012 to 31 March 2013 £'000	Period 1 July 2011 to 31 March 2012 £'000
Provision/(release) for amounts owed by group companies	(13,986)	30,476
Investment impairment charges (note 9)	55,478	4,740
	<u>41,492</u>	<u>35,216</u>

Exceptional items for amounts owed by group companies relate to intercompany charges and impairment reversals following a review of intercompany balances based on the net assets of the individual counterparty at the balance sheet date, but excluding potential sources of additional funding and intra group guarantees available to the counterparty. Accordingly the assessments are of the individual companies and not about the group.

Also included in exceptional items are amounts relating to impairment charges following an assessment of the net realisable value of the company's investments in subsidiaries (see note 9).

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

7. INTEREST

	Period 1 April 2012 to 31 March 2013 £'000	Period 1 July 2011 to 31 March 2012 £'000
Other interest receivable and similar income		
Loan fee recovery	-	7,445
Hedging gains	1,417	6,429
Other interest	-	1
	<u>1,417</u>	<u>13,875</u>
	Period 1 April 2012 to 31 March 2012 £'000	Period 1 July 2011 to 31 March 2011 £'000
Interest payable.		
Bank interest	(52)	(1,035)
Interest paid on intra group balances	(2,267)	(10,704)
Hedging losses	-	-
	<u>(2,319)</u>	<u>(11,739)</u>

During the prior period, loan fee costs previously amortised in line with the term of the bank loans were partially recovered from a fellow group company

The hedging gains and losses noted above relate to the foreign exchange hedging contracts put in place to mitigate the exposure of the iSOFT UK based companies against fluctuations in exchange rates on intercompany loans denominated in foreign currencies

8 TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the period was as follows

	Period 1 April 2012 to 31 March 2013 £'000	Period 1 July 2011 to 31 March 2012 £'000
Current tax		
UK corporation tax	-	-
	<u>-</u>	<u>-</u>
Tax on loss on ordinary activities	-	-
	<u>-</u>	<u>-</u>

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

8. TAXATION (CONTINUED)

Factors affecting the tax charge

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below

	Period 1 April 2012 to 31 March 2013 £'000	Period 1 July 2011 to 31 March 2012 £'000
Loss on ordinary activities before tax	<u>(25,718)</u>	<u>(31,278)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2012 26%)	(6,172)	(8,132)
Effects of		
Utilisation of tax losses brought forward	-	(1,129)
Losses not recognised	965	-
Expenses not deductible for tax purposes	120	232
Exceptional items not subject to taxation	<u>10,897</u>	<u>9,029</u>
Current tax charge	<u>-</u>	<u>-</u>
The Company has the following unprovided deferred tax balances		
	2013 £'000	2012 £'000
Deferred capital allowances	287	324
Losses	9,490	9,683
Other STTD	<u>158</u>	<u>179</u>
	<u>9,935</u>	<u>10,186</u>

The unprovided deferred tax assets relate to deferred capital allowances and tax losses available to carry forward and off-set against future trading profits within the Company. The iSOFT Group Limited group utilises group relief wherever possible and as such the timing of the off-set of the deferred capital allowances and tax losses against future trading profits cannot be accurately predicted and has therefore not been recognised.

The Finance Act 2012, which provides for a reduction in the main rate of corporation tax from 24% to 23% effective from 1 April 2013, was substantially enacted on 3 July 2012. This rate reduction has been reflected in the calculation of unprovided deferred tax at the balance sheet date.

In the March 2013 UK Budget statement, a number of further changes to the UK tax system were announced. These include a further reduction to the main rate of corporation tax to 21% from 1 April 2014 and 20% from 1 April 2015. These changes have not been substantively enacted by the balance sheet date and, therefore, are not included in these financial statements. Once enacted, these rate changes will have the effect of reducing the unprovided deferred tax asset.

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

9. FIXED ASSETS INVESTMENTS

	Unlisted Investments £'000
Cost	
At 1 April 2012	496,670
Additions	7,733
Disposals	(15,472)
	<hr/>
At 31 March 2013	488,931
	<hr/>
Provisions for impairment:	
At 1 April 2012	(355,792)
Provision for period	(55,478)
Eliminated on disposal	9,496
	<hr/>
At 31 March 2013	(401,774)
	<hr/>
Net book value at 31 March 2013	87,157
	<hr/>
Net book value at 31 March 2012	140,878
	<hr/>

During the period the Company disposed of a number of investments and consequent indirectly held subsidiaries in exchange for intercompany balances

At 31 March 2013, the Company is the beneficial owner of the ordinary share capital and voting rights, either itself or through subsidiary undertakings, of the following principal companies,

Name	Country of incorporation	Effective % ownership	Activity
*BIT (Holdings) Ltd	England	100	Dormant
iSOFT Europe (Holdings) Ltd	England	100	Holding company
iSOFT Laboratory Systems Ltd	England	100	Dormant
iSOFT Operations Ltd	England	100	Dormant
Oxhealth com Ltd	England	100	Dormant
Revive Health Ltd	England	100	Dormant
*Smart Terminals Ltd	England	100	Holding company
*The Warwick BEPOS Group Ltd	England	100	Dormant
ACT Medisys Ltd	England	100	Holding company
Eclipsys Ltd	England	100	Dormant
iSOFT Europe Ltd	England	100	Non trading company
iSOFT Solutions Ltd	England	100	Holding company
Revive Group Ltd	England	100	Holding company
iSOFT Integration Systems Ltd	USA	100	Holding company

* denotes held by a subsidiary undertaking

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 March 2013 £'000	31 March 2012 £'000
Amounts owed by group undertakings	58,611	51,742
Prepayments and accrued income	35	50
Other debtors	55	55
Trade debtors	-	69
	<u>58,701</u>	<u>51,916</u>

11. CREDITORS

Amounts falling due within one year

	31 March 2013 £'000	31 March 2012 £'000
Bank loans and overdrafts	(2,517)	-
Trade creditors	(58)	(32)
Social security and other taxes	(686)	(334)
Other creditors	(4)	(2)
Amounts owed to group undertakings	(90,428)	(212,859)
Accrued expenses	(1,023)	(1,658)
	<u>(94,716)</u>	<u>(214,885)</u>

12. LOANS & OVERDRAFTS

An analysis of the maturity of borrowings is given below

	31 March 2013 £'000	31 March 2012 £'000
Amounts falling due within one year or on demand		
Bank overdraft	<u>(2,517)</u>	<u>-</u>

13. OPERATING LEASE COMMITMENTS

The Company has no operating lease obligations at the balance sheet date (2012 - nil)

14. PROVISIONS FOR LIABILITIES

	31 March 2013 £'000	31 March 2012 £'000
Other provisions		
Onerous lease liabilities	<u>-</u>	<u>53</u>

The onerous lease provision relates to legacy dilapidation clauses on property rentals was fully released in the period

ISOFT GROUP (UK) LIMITED (REGISTERED NUMBER: 03716736)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013**

15. FORWARD EXCHANGE CONTRACTS

	Currency hedged	Principal Value £'000	Fair value	
			31 March 2013 £'000	31 March 2012 £'000
Foreign forward exchange contracts	INR	-	-	(67)
	EUR	11,461	(71)	171
	AUD	3,600	21	384
			<u> </u>	<u> </u>

The Group uses the derivatives noted above to hedge its exposure to changes in foreign currency exchange rates. The fair values are based on market values of equivalent instruments at the balance sheet date.

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Class	Nominal	2013		2012	
		Number	£'000	Number	£'000
Ordinary	£0 10	10	-	249,674,743	24,968

On 29 March 2013 the members of the Company passed a Special Resolution under section 654 of the Companies Act 2006 to reduce the share capital from 249,674,743 Ordinary £0 10 shares to 10 Ordinary £0 10 shares. The capital reduction exercise has resulted in a transfer of £24,968,000 of share capital, £56,906,000 of share premium and £88,683,000 of merger reserve into the profit and loss account reserve as a distributable reserve.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013

17 RESERVES

	Profit and loss account £'000	Share premium £'000	Merger reserve £'000	Totals £'000
At 1 April 2012	(192,376)	56,906	88,683	(46,787)
Retained loss for the period	(25,718)	-	-	(25,718)
Capital contribution	98,707	-	-	98,707
Capital reduction	170,557	(56,906)	(88,683)	24,968
	<u>51,170</u>	<u>-</u>	<u>-</u>	<u>51,170</u>
At 31 March 2013	<u>51,170</u>	<u>-</u>	<u>-</u>	<u>51,170</u>

The capital contribution relates to an intercompany debt waiver between the Company and iSOFT Group Pty Limited

On 29 March 2013 the members of the Company passed a Special Resolution under section 654 of the Companies Act 2006 to reduce the share capital from 249,674,743 Ordinary £0 10 shares to 10 Ordinary £0 10 shares. The capital reduction exercise has resulted in a transfer of £24,968,000 of share capital, £56,906,000 of share premium and £88,683,000 of merger reserve into the profit and loss account reserve as a distributable reserve.

18. ULTIMATE PARENT COMPANY

During the year, the CSC group re-organised and simplified its structure of investments in subsidiaries, resulting in various share ownerships being transferred within the group. As a result of these changes, the immediate parent company at 31 March 2013 was CSC Computer Sciences International Operations Limited, registered in England and Wales.

The directors consider the ultimate parent company and controlling entity is Computer Sciences Corporation, a company incorporated in the United States of America. This is the parent undertaking of the only group which includes the company and for which group financial statements are prepared. Copies of the group financial statements of Computer Sciences Corporation are available from 3170 Fairview Park Drive, Falls Church, Virginia 22042, USA.

19. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

20. RECONCILIATION OF MOVEMENTS IN RESERVES

	31 March 2013 £'000	31 March 2012 £'000
Loss for the financial period	(25,718)	(31,278)
Capital contribution	98,707	28,977
	<u>72,989</u>	<u>(2,301)</u>
Net movement in reserves	<u>72,989</u>	<u>(2,301)</u>
Opening reserves	(21,819)	(19,518)
	<u>51,170</u>	<u>(21,819)</u>
Closing reserves	<u>51,170</u>	<u>(21,819)</u>

21 CROSS PARTY GUARANTEE

The Company also acts as a guarantor on contract funding liabilities to fellow CSC group undertakings.