

Registration number: 06124324

SWORD SOFT LIMITED
Financial Statements
for the Year Ended 31 December 2017



BREBNERS
Chartered Accountants & Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

SWORD SOFT LIMITED

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SWORD SOFT LIMITED

Company Information

Directors	J F Mottard S A Allen
Registered office	1000 Great West Road Brentford Middlesex TW8 9DW
Bankers	HSBC Bank Plc 127 High Street Hounslow Middlesex TW3 1QP
Auditors	Brebners Chartered Accountants & Statutory Auditor 130 Shaftesbury Avenue London W1D 5AR

SWORD SOFT LIMITED

Strategic Report for the Year Ended 31 December 2017

The directors present their strategic report for the year ended 31 December 2017.

Principal activity

The principal activity of the company during the year was an investment holding company.

Fair review of the business

The directors are pleased with the results for the year, which are the result of dividends received from trading subsidiaries. Dividends are decided at group level by the ultimate parent undertaking and so the year against year results are not comparable. Also the ultimate parent undertaking decides the group's treasury policy. All trading subsidiaries were profitable during the year and the combined results are included in the ultimate parent undertakings consolidated accounts. The financial position of the company is well established and is represented by subsidiary undertakings acquired in previous years. The company's did not acquire any new subsidiaries during the year, however 2 trading subsidiaries were acquired by one of its subsidiaries.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2017	2016
Dividends from subsidiary undertakings	€	5,710,150	11,189,726

Non-Financial Key Performance Indicators

The company seeks to ensure that responsible business practice is fully integrated into the management of all of its operations and into the culture of all parts of its business. It believes that the consistent adoption of responsible business practice is essential for operational excellence, which in turn, ensures the delivery of its core objectives of sustained real growth in profitability.

In a company this size the directors consider there are collectively numerous non-financial performance indicators but no individual indicator is more important than any other.

Financial instruments

The company uses basic financial instruments and had no hedging arrangements at 31st December 2017.

SWORD SOFT LIMITED

Strategic Report for the Year Ended 31 December 2017

Principal risks and uncertainties

The company is an intermediary holding company for the UK subsidiaries of Sword Group SE. The management of the business are subject to a number of risks, which are reviewed by the board and appropriate procedures put in place to monitor and mitigate.

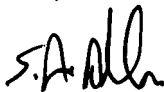
The principal risks and uncertainties of the company are the performance of its subsidiaries and receipt of future dividends to service the debt provided by the ultimate parent undertaking, Sword Group SE, used to acquire those subsidiaries. The company is reliant upon the continued support of Sword Group SE and the continued profitable performance of its subsidiaries.

The objective of the company in managing risks is to ensure that it can meet its financial obligations as and when they fall due. The company expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the group operates a cash pooling system to ensure the necessary liquidity is available throughout the group.

The company is exposed to currency exchange rate risk due to a significant proportion of its debtors and creditors being denominated in non-Euro currencies. The net exposure of each currency is monitored by reviewing forward exchange rates and taking account of anticipated movements when entering into key transactions.

There are no other significant risks relating to the company and the principal risks and uncertainties of its subsidiaries are disclosed in the strategic reports of those subsidiaries, where applicable under the Companies Act 2006 disclosure requirements.

Approved by the Board on 2 July 18 and signed on its behalf by:



.....
S A Allen
Director

SWORD SOFT LIMITED

Directors' Report for the Year Ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Directors of the company

The directors who held office during the year were as follows:

J F Mottard

S A Allen

Dividends

Particulars of recommended dividends are detailed in note 14 to the financial statements.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Statement of Directors' Responsibilities

The directors are responsible for preparing the strategic report, 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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

SWORD SOFT LIMITED

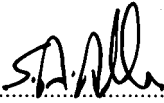
Directors' Report for the Year Ended 31 December 2017

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board on 2 July 18 and signed on its behalf by:



S A Allen
Director

SWORD SOFT LIMITED

Independent Auditor's Report to the Members of Sword Soft Limited for the Year Ended 31 December 2017

Opinion

We have audited the financial statements of Sword Soft Limited (the 'company') for the year ended 31 December 2017, which comprise the Statement of Income and Retained Earnings, Statement of Financial Position, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SWORD SOFT LIMITED

Independent Auditor's Report to the Members of Sword Soft Limited for the Year Ended 31 December 2017

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

SWORD SOFT LIMITED

Independent Auditor's Report to the Members of Sword Soft Limited for the Year Ended 31 December 2017

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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.



Philip Heath (Senior Statutory Auditor)
For and on behalf of

Brebners, Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

Date: 17th September 2018

SWORD SOFT LIMITED

Statement of Income and Retained Earnings for the Year Ended 31 December 2017

	Note	2017 €	2016 €
Turnover		-	-
Administrative expenses		<u>(412,638)</u>	<u>(12,761,093)</u>
Operating loss	4	<u>(412,638)</u>	<u>(12,761,093)</u>
Income from shares in group undertakings		5,710,150	11,189,726
Other interest receivable and similar income		6	-
Interest payable and similar charges	5	<u>(30,898)</u>	<u>-</u>
		<u>5,679,258</u>	<u>11,189,726</u>
Profit/(loss) before tax		5,266,620	(1,571,367)
Taxation	7	<u>185,850</u>	<u>(218,470)</u>
Profit/(loss) for the financial year		5,452,470	(1,789,837)
Retained earnings brought forward		51,325,295	58,115,132
Dividends paid		<u>(2,500,000)</u>	<u>(5,000,000)</u>
Retained earnings carried forward		<u>54,277,765</u>	<u>51,325,295</u>


The notes on pages 11 to 19 form an integral part of these financial statements.

SWORD SOFT LIMITED

Statement of Financial Position as at 31 December 2017

	Note	2017 €	2016 €
Fixed assets			
Investments	8	54,046,060	50,506,346
Current assets			
Debtors	9	736,013	1,193,001
Cash at bank and in hand		<u>335,300</u>	<u>654,452</u>
		1,071,313	1,847,453
Creditors: Amounts falling due within one year:	11	<u>(85,609)</u>	<u>(274,505)</u>
Net current assets		<u>985,704</u>	<u>1,572,948</u>
Net assets		<u>55,031,764</u>	<u>52,079,294</u>
Capital and reserves			
Called up share capital	12	106,000	106,000
Share premium reserve	13	647,999	647,999
Profit and loss account	13	<u>54,277,765</u>	<u>51,325,295</u>
Total equity		<u>55,031,764</u>	<u>52,079,294</u>

Approved and authorised by the Board on 2nd July 2018 and signed on its behalf by:



S A Allen
Director

Company registration number: 06124324

The notes on pages 11 to 19 form an integral part of these financial statements.

SWORD SOFT LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

1 GENERAL INFORMATION

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

1000 Great West Road

Brentford

Middlesex

TW8 9DW

The principal activity of the company during the year was an investment holding company.

2 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except any items disclosed in the accounting policies as being shown at fair value and are presented in euro, which is the functional currency of the entity.

Summary of disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Sword Group SE, which can be obtained from sword-group.com/investors. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

Exemption from preparing group accounts

The financial statements contain information about Sword Soft Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Sword Group SE, a company incorporated in Luxembourg.

SWORD SOFT LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

Key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. Key assumptions and other estimation uncertainty may have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The company currently does not have any significant accounting estimates, and there is no significant effect on any amounts recognised in the financial statements.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

SWORD SOFT LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Related parties

For the purposes of these financial statements, a party is considered to be related to the company if:

- (i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the company or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the company;
- (ii) the company and the party are subject to common control;
- (iii) the party is an associate of the company or a joint venture in which the company is a venturer;
- (iv) the party is a member of key management personnel of the company or the company's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals;
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company; or
- (vii) the party, or any member of a group of which it is part, provides key management personnel services to the company or its parent.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

SWORD SOFT LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

3 OTHER GAINS AND LOSSES

The analysis of the company's other gains and losses for the year is as follows:

	2017 €	2016 €
Gain (loss) from disposals of investments	<u>-</u>	<u>(12,008,448)</u>

4 OPERATING LOSS

Arrived at after charging/(crediting)

	2017 €	2016 €
Foreign exchange gains	<u>(86,397)</u>	<u>(266,184)</u>

5 INTEREST PAYABLE AND SIMILAR EXPENSES

	2017 €	2016 €
Interest expense on other finance liabilities	<u>30,898</u>	<u>-</u>

6 AUDITORS' REMUNERATION

	2017 €	2016 €
Audit of the financial statements	<u>15,000</u>	<u>14,996</u>

7 TAXATION

Tax charged/(credited) in the income statement

	2017 €	2016 €
Current taxation		
UK corporation tax	(53,370)	154,703
UK corporation tax adjustment to prior periods	<u>(132,480)</u>	<u>63,767</u>
	<u>(185,850)</u>	<u>218,470</u>

SWORD SOFT LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2016 - lower than the standard rate of corporation tax in the UK) of 19.25% (2016 - 20%).

The differences are reconciled below:

	2017 €	2016 €
Profit/(loss) before tax	<u>5,266,620</u>	<u>(1,571,367)</u>
Corporation tax at standard rate	1,013,824	(314,273)
Effect of revenues exempt from taxation	(1,099,204)	(2,237,951)
Effect of expense not deductible in determining taxable profit (tax loss)	32,010	2,706,927
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	<u>(132,480)</u>	<u>63,767</u>
Total tax (credit)/charge	<u>(185,850)</u>	<u>218,470</u>

8 INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

	2017 €	2016 €
Investments in subsidiaries	<u>54,046,060</u>	<u>50,506,346</u>
Subsidiaries		€
Cost or valuation		
At 1 January 2017		50,506,346
Additions		4,361,470
Disposals		<u>(821,756)</u>
At 31 December 2017		54,046,060
Provision		
At 31 December 2017		<u>-</u>
Carrying amount		
At 31 December 2017		<u>54,046,060</u>
At 31 December 2016		<u>50,506,346</u>

DETAILS OF UNDERTAKINGS

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

SWORD SOFT LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2017	2016
Active Risk Group Limited	1 Grenfell Road, Maidenhead, Berkshire, SL6 1HN	Ordinary	100%	97%
Active Risk Limited*	1 Grenfell Road, Maidenhead, Berkshire, SL6 1HN	Ordinary	100%	97%
Active Risk Proprietary Limited*	40/140 William Street, Melbourne, VIC 3000, Australia	Ordinary	100%	97%
Active Risk Inc*	13221 Woodland Park Road, Suite 440, Herndon, VA 20171 United States	Common Stock	100%	97%
Sword Achiever Limited*	1 Grenfell Road, Maidenhead, Berkshire, England, SL6 1HN	Ordinary	100%	97%
Apak Group Limited	Nibley Court 3 Turner Drive, Yate, Bristol, England, BS37 5YX	Ordinary	87%	83%
Sword Apak Inc*	Suite 400, 2325 Lakeview Parkway Alpharetta, Georgia 30009 United States	Common Stock	87%	83%
Sword Apak Aurius Limited**	Nibley Court Turner Drive, Yate, Bristol, England, BS37 5YX	Ordinary	87%	83%
Mobile Productivity Limited*	1 Mill Court, Mill Lane, Newbury, Berkshire, RG14 5RE	Ordinary	87%	83%
Apak Beam Limited	Cyprus	Ordinary	100%	100%
BuildOnline Inc	United States	Common Stock	100%	100%
Sword General Partner Limited*	1000 Great West Road, Brentford, Middlesex, TW8 9DW	Ordinary	100%	100%

SWORD SOFT LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			100%	100%
Sword Global (India) Private Limited*	India	Common Stock		
Sword IT Solutions Limited*	1000 Great West Road, Brentford, Middlesex, TW8 9DW	Ordinary	49%	49%
AAA Group Limited*		Ordinary	49%	49%
Aberdeen Appointments Agency Limited*	Union Plaza, 1 Union Wynd, Aberdeen, Aberdeenshire, AB10 1DQ	Ordinary	49%	49%
Sword Charteris Limited	1000 Great West Road, Brentford, Middlesex, TW8 9DW	Ordinary	49%	49%
Minttulip Limited*	1000 Great West Road, Brentford, Middlesex, TW8 9DW	Ordinary	49%	0%
Venture Information Management Limited*	1000 Great West Road, Brentford, Middlesex, TW8 9DW	Ordinary	49%	0%
Sword Technology Solutions Limited	1000 Great West Road, Brentford, Middlesex, TW8 9DW	Ordinary	100%	100%

*Denotes companies that are indirect subsidiaries.

** Denotes companies that were dissolved in the period.

The company is not required to disclose the aggregate capital and reserves, and the profit and loss account under the Companies Act 2006 for the principal subsidiary undertakings as it is exempt by virtue of Section 400 of the Companies Act 2006 from preparing group accounts as it is part of a larger group preparing consolidated accounts. The information in the financial statements are for the company only.

SWORD SOFT LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

Active Risk Group Limited, Sword IT Solutions Limited and AAA Group Limited are Investment holding companies.

The principal activity of Active Risk Limited, Active Risk Proprietary Limited and Active Risk Inc is risk management software.

BuildOnline Inc and Sword General Partner Limited are dormant.

Aberdeen Appointment Agency Limited is a recruitment agency.

The remaining companies principal activities are related to software and consultancy.

Minttulip Limited and Venture Information Management Limited were acquired by Sword Charteris Limited during the year.

9 DEBTORS

	Note	2017 €	2016 €
Amounts owed by related parties	15	308,902	903,214
Other debtors		271,808	289,787
Corporation tax asset	7	155,303	-
		<u>736,013</u>	<u>1,193,001</u>

10 CASH AND CASH EQUIVALENTS

	2017 €	2016 €
Cash at bank	<u>335,300</u>	<u>654,452</u>

11 CREDITORS

	Note	2017 €	2016 €
Due within one year			
Amounts due to related parties	15	-	29,200
Other payables		70,609	70,609
Accrued expenses		15,000	15,000
Corporation tax liability	7	-	159,696
		<u>85,609</u>	<u>274,505</u>

12 SHARE CAPITAL

Allotted, called up and fully paid shares

SWORD SOFT LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

	2017		2016	
	No.	€	No.	€
A Ordinary shares of €0 each	940,000	94,000.00	940,000	94,000.00
B Ordinary shares of €0 each	59,999	5,999.90	59,999	5,999.90
C Ordinary shares of €0 each	1	0.10	1	0.10
D Ordinary shares of €0 each	60,000	6,000.00	60,000	6,000.00
	<u>1,060,000</u>	<u>106,000</u>	<u>1,060,000</u>	<u>106,000</u>

13 RESERVES

The share premium account contains the premium arising on issue of equity shares, net of issue expenses.

The profit and loss account includes all current and prior retained earnings and accumulated losses.

14 DIVIDENDS

	2017	2016
	€	€
Equity dividends on ordinary shares	<u>2,500,000</u>	<u>5,000,000</u>

15 RELATED PARTY TRANSACTIONS

Amounts due to and from group undertakings at 31st December 2017 are aggregated as permitted by FRS 102 and shown separately in debtors and creditors.

In accordance with FRS 102 paragraph 33.1A, exemption is taken not to disclose transactions in the year between wholly owned group undertakings.

During the year the company waived an amount of €280,281 (2016: €145,998) due from a subsidiary undertakings.

16 PARENT AND ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Sword Group SE, which is also its ultimate controlling party. Sword Group SE produces financial statements available for public use.