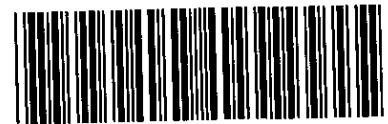


CSB HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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COMPANIES HOUSE

CSB HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Mr T P Armitage Mr L J Sullivan Mr N L Cope Mr M T James Mr D Leaver Mr R L Werner
Secretary	Mr A Halls
Company number	02397837
Registered office	Coins Building 11 St Laurence Way Slough Berkshire SL1 2EA
Auditor	CBW Audit Limited 66 Prescott Street London E1 8NN

CSB HOLDINGS LIMITED

CONTENTS

	Page
Chairmans' report	1-2
Directors' report	3-4
Strategic Report	5-9
Independent auditor's report	10-13
Profit and loss account	14
Group statement of comprehensive income	15
Group balance sheet	16 - 17
Company balance sheet	18
Group statement of changes in equity	19
Company statement of changes in equity	20
Group statement of cash flows	21
Notes to the financial statements	22 - 50

CSB HOLDINGS LIMITED

CHAIRMANS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The chairman presents his statement for the year ended 31 March 2021.

The group turnover has decreased by 4.2% to £45.1m whilst the balance sheet strengthened to £18.3m (14.4% over the previous year) prior to a share buyback totalling £5.2 million. I am satisfied with the overall group performance.

This year's results reflect further consolidation of our leading position in the UK, the reorganisation of our Australian enterprise and our ongoing global shift to a subscription based revenue model. Turnover in the USA was affected by the COVID-19 Pandemic but prudent cost management enabled us to show an improved profit in that region.

Local Market factors such as BREXIT were overtaken by the COVID-19 Pandemic, which did slow both software deal flow and the volume of software implementations in the early part of the financial year as construction contractors and homebuilders put the brakes on both their operational and capital based project spending. At the time of writing this report, the early signs are that this major period of uncertainty may be coming to an end as both software deal flow and implementation projects have picked up considerably. In the medium to long term, we remain very optimistic that a significant investment in housing, commercial and infrastructure spending fueled by central and local governments around the world will directly, and positively, affect our clients. We are in a very good position to capitalise on the opportunity that increased construction spending will present and intend to keep our focus on delivering tangible business value to our customers as we move into a "new era" following Brexit in the UK and the global COVID-19 pandemic.

We had another very good year of new name business and this year's financial performance remains impressive when set against the backdrop of the COVID-19 pandemic, the shift in our revenue model to subscriptions rather than upfront software licensing and continuing strong investment in Research & Development (R&D).

Our investment into the development of our innovative value-based solutions goes from strength to strength, with a continued focus on mobile and cloud applications all provided on Microsoft Azure. We have and intend to continue with a high level of R&D spending in order to enhance and extend our existing solution footprint to address new business opportunities within the global construction market.

Our UK head office, as a Centre for excellence, continually fosters an environment to support the growth of our global business. The methods of delivering our solutions and services to clients has continued to evolve, utilising the many digital technologies now available. Digitising our own as well as our customers businesses to be able to work effectively, at home, in the office, on the road or on site has been one of several positive impacts of the challenges we currently face as a result of the COVID-19 pandemic.

We continue to support the COINS Grand Challenge in conjunction with leading construction companies and academic institutions which, this year was held virtually as a result of the COVID-19 pandemic. This is a global competition to identify new and emerging technology in the built environment. The 2021 event was planned to be in the UK but will again be hosted virtually.

We live in a world where all forms of social and economic inequality still exist. Through the COINS Foundation the Group continues to champion equality and diversity on a global basis. Our support of people striving for equality and inclusion spans core curriculum education for people with mild to moderate disabilities and economically disadvantaged children, in the UK and Africa respectively, indigenous arts in Australia, foodbanks in the USA and housing developments for economically disadvantaged people on a global basis to name but a few. We have also recently engaged with Project Search in the UK and set up our own Pathway's initiative to provide routes into employment for people with mild to moderate disabilities. Further information on the activities of the COINS Foundation can be found at COINS-Foundation.org

I welcome our new staff and my thanks go once again to all existing COINS staff for their hard work and to all our customers for their ongoing support in our business endeavours and growth.

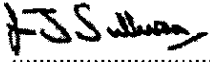
Finally, we look forward to collaborating with our customers, both existing and new, to find new and innovative ways of adding value to their businesses and the communities in which they work.

CSB HOLDINGS LIMITED

CHAIRMANS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

On behalf of the board



Mr L J Sullivan

Director

14/12/2021

CSB HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The group is principally engaged in the development, installation of and the provision of services for computer software systems and solutions.

Results and dividends

The profit for the year, after taxation, amounted to £3,193,441 (2020: £1,693,115).

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr T P Armitage
Mr L J Sullivan
Mr N L Cope
Mr M T James
Mr D Leaver
Mr R L Werner

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Research and development

Research and development costs of £8,320,198 (2020: £8,506,920) were expensed in the year. This is a decrease of 2.2% against the prior year.

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Future developments

The group continues to consolidate its position as a leading supplier of computer software solutions to construction, contractors and homebuilders. We expect to see the level of profitability to continue to grow with revenue. The group continues to seek complementary business opportunities to support its organic growth.

Auditor

The auditor, CBW Audit Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report

As the group has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

CSB HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 group and company, and of the profit or loss of the group 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 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Matters covered in the Strategic Report

The business review, principal risks and uncertainties and information on financial risk management objectives and policies are contained in the Strategic Report


Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

Donations

The group paid donations of £204,232 (2020: £523,470) during the year.

On behalf of the board



Mr L J Sullivan
Director

Date: 14/12/2021

CSB HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report for the year ended 31 March 2021.

Fair review of the business

The group turnover decreased by 4.2% to £45.1m whilst the balance sheet strengthened to £18.3m (14.4% over the previous year) prior to a share buyback totalling £5.2 million.

The Group's recurring revenue was £31.1m, an increase of 6.2% over 2020 now representing 69% of the company's total revenues (2020: 62%).

The group had another good year in terms of the acquisition of new name customers. And, in line with our transition to subscription-based pricing, the vast majority of the company's sales orders are now taken on a 5-year subscription basis. This shift, which has taken place over different timeframes across different geographic areas, (largely driven by market forces) continues to have a short-term negative impact on revenue, profits and cash flow over the more traditional upfront ILF (Initial License Fee) model but has always been the right thing to do as most importantly this shift underpins the future enabling the business to plan with greater certainty.

This Financial Year coincided with the COVID-19 Pandemic and the first six months saw a reduction in new customer orders. The greatest impact in these early months being a reduction in implementation consultancy and training revenues due to a combination of postponements of new projects and a short-term freeze on existing software implementations. As the year progressed, the company and our customers adapted to deal with the impact of COVID-19 and we saw a strong second half to the year with new business orders and ongoing implementation services returning to similar levels as prior years. To offset this shortfall the company utilised the COVID-19 support provided by the UK, US and Australian governments where these were available.

Principal risks and uncertainties

The principal risks and uncertainties for the group are:

COVID19 – as stated above, had a small impact on the group results in the current year's accounts; mainly in the reduction in delivery and consultancy revenue during the first six months of the year as customers and ourselves adapted to lockdown and working from home.

Brexit – "Brexit" did undoubtedly have some impact on the UK construction industry as deal flow slowed largely due to uncertainty around capital spending. Also, imported material prices increased, putting added pressure on slender construction industry margins. These did have a modest impact on our business in the UK but the post Brexit government infrastructure spending plans and the relaxation of stamp duty have given the industry a significant boost. In general, we remain optimistic that the Company will see significant medium to long term benefit from increased government-initiated spending on infrastructure projects as they attempt to rebuild the post-Brexit and COVID-19 economy.

Retention of clients – the group's record here is excellent supported by delivery of high-quality services levels and a sustained investment in innovation and product development.

Retention of key staff - the group has had and continues to have a high retention of its key staff.

Business and customer confidence – following Brexit in the UK and the COVID-19 pandemic the construction industry overall remains cautiously optimistic about the future. As a business we remain very optimistic about the medium to long term prospects of the construction sector and believe we are in a strong position to take advantage of future opportunities.

CSB HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Future Developments

The group continues to consolidate its position as a leading supplier of computer software solutions to contractors and homebuilders. We intend to continue to invest in R&D to help our customers realise increased margins and cash flow through the provision of end-to-end digitised business processes, which will compress time, reduce risk and improve decision making. We expect the level of underlying profitability to flatten in the next year whilst the UK economy acclimatises to the impact of Brexit, global economies to the COVID-19 and our shift to a subscription-based revenue model continues. Beyond FY22 profitability is then expected to continue to increase as continued new business growth and the cumulative impact of our shift to subscription-based licencing increases our ARR (Annual Recurring Revenues). The group is continually seeking complementary business opportunities to support its organic growth.

Key performance indicators

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

Turnover £45,081,845 (2020: £47,055,563)

Annual Recurring Revenue £31,085,044 (2020: £29,260,334)

Profit before Tax £2,984,407 (2020: £1,502,488)

CSB HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Other performance indicators

The group's headcount increased from 383 to 398.

The group has various financial instruments available to it, including loans, cash, and other items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations as required.

The group has relatively low mortgages outstanding against a sizable, owned property portfolio.

The existence of these financial instruments exposes the group to several financial risks, which are described in more detail below.

The main risks arising from the group's financial instruments are market risk, currency risk, liquidity risk, cash flow interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies remain unchanged from previous years.

Market risk

Market risk encompasses two types of risk, currency risk and fair value interest rate risk. The group's policies for managing fair value interest rate risk are considered along with those for managing cash flow interest risk rate and are set out in the subsection entitled "Interest rate risk" below.

Currency risk

The group is exposed to translation foreign exchange risk on the assets and liabilities of its overseas subsidiaries and branches in the USA, Ireland, Australia, United Arab Emirates, and Belarus.

Approximately 40% of the group's sales are to customers outside the UK. Sales in the UK are invoiced in Sterling, other EU in Euro, whilst other overseas sales are invoiced in the local currency by the subsidiary/ branch operating in that country with the USA and US Dollar being the largest element of these.

Liquidity

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The maturity of borrowing is set out in note 23 to the financial statement.

Interest rate risk

The group finances its operations through a mixture of retained profits and very limited bank borrowings. Interest rates on the company's bank loan is linked to the standard variable interest rate of Barclays Bank PLC.

Credit risk

The group's principal assets are cash and trade debtors. The credit risk associated with cash balances is managed by the group companies monitoring the financial position of the counterparties involved.

In order to manage credit risk arising from trade debtors, the directors set limits for customers based on a combination of payment history and third-party credit references.

Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

CSB HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Compliance with Section 172 (1) statement

Under Section 172 of the Companies Act 2006, the Directors have a duty to act in good faith, which would most likely promote the success of the company for the benefit and interests of all its stakeholders as a whole. The Group's stakeholders include, but are not limited to, its employees, suppliers, customers, shareholders and regulators.

Culture, values and standards

The Group has a strong underlying values-based culture, which is designed to enable the whole of the global business to maintain a common approach in dealings with all of its stakeholders. The values permeate every activity and decision-making process that is undertaken in the business and facilitate the Board's endeavours to achieve and maintain a reputation for high standards of quality and conduct amongst its stakeholders. The Board regards the company values as critical in its ability to successfully achieve its strategic and corporate objectives. During the development of the Group's strategies and decision-making processes the values guide the Board in considering the impact on all its stakeholders and their interests. The values require the Board to assess and manage the impact of its policies in a fair and balanced manner to the benefit of its stakeholders as a whole. The Board considers below these different stakeholders of the Group, their material issues and how the Group engages with them.

Employees

The employees are the greatest asset to the Group. Their interests, which include training and development; a safe environment to work; diversity and inclusion; fair pay and benefits; reward and recognition are a top priority. On a day-to-day basis Directors engage directly with employees promoting an open, non-hierarchical culture, in which employees play an active role in the Group's success. Regular management training, personal development and performance reviews all contribute to the development of staff. Regular meetings are held on a departmental basis, periodic company by company updates are provided by local territory management as well as 6 monthly updates provided by the Chairman and Chief Executive to all global staff each year. Feedback is always encouraged and taken. The Board will actively reflect on staff feedback when making decisions.

Suppliers

Supplier interests include fair trading, payment terms and working towards building a successful partner-based relationship. The Company will regularly review its supplier pricing, payments and performance. The Group's Modern Slavery Statement sets out the processes put in place in order to combat modern slavery in the business and its supply chains.

Customers

Customers primary interests are in the quality and reliability of product capabilities, availability of services, fair pricing and adherence to legal and statutory requirements. The Group strives to meet these requirements through proactive communication, the measurement of key performance indicators along with daily, weekly and monthly reviews of feedback it receives from its customers. This information is then used to benchmark performance and undertake any corrective action as part of its strategy of innovation through continuous improvement.

Regulators and Compliance

The Group is required to comply with legal and statutory requirements, which vary by geographic location. These legal and statutory requirements are determined locally and reviewed by the Board on a period ongoing basis as required. Any changes required to be implemented are disseminated to the respective local geographic group companies, as well as on a departmental basis internally. Appropriate communication and training are delivered to ensure compliance. The communication and training cover all matters relating to changes of internal systems and procedures as well as any required changes to the development and delivery of COINS products and services to its customers and other stakeholders.

Shareholders


Shareholders expect to be informed of the financial performance and developments of the Company. This is done by providing Year End Statutory Financial Statements plus regular trading updates to key Management Employee Shareholders.

CSB HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

On behalf of the board



Mr L J Sullivan

Director

14/12/2021

CSB HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CSB HOLDINGS LIMITED

Opinion

We have audited the financial statements of CSB Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent company's affairs as at 31 March 2021 and of the group's 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

CSB HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CSB HOLDINGS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the 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 the knowledge and understanding of the group and the parent 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 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, 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 parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

CSB HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CSB HOLDINGS LIMITED

We ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations. The laws and regulations applicable to the company were identified through discussions with directors and other management, and from our commercial knowledge and experience of CSB Holdings Limited. Of these laws and regulations, we focused on those that we considered may have a direct material effect on the financial statements or the operations of the company, including Companies Act 2006, taxation legislation, data protection, anti-bribery, anti-money-laundering, employment, environmental and health and safety legislation. The extent of compliance with these laws and regulations identified above was assessed through making enquiries of management and inspecting legal correspondence. The identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

CSB HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CSB HOLDINGS LIMITED

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.

CBW Audit Limited

Daniel Howarth (Senior Statutory Auditor)
For and on behalf of CBW Audit Limited

14/12/2021

Chartered Accountants
Statutory Auditor

66 Prescott Street
London
E1 8NN

CSB HOLDINGS LIMITED**GROUP PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Turnover	3	45,081,845	47,055,563
Cost of sales		(21,518,034)	(22,008,694)
Gross profit		23,563,811	25,046,869
Administrative expenses		(22,871,335)	(24,075,573)
Other operating income		2,195,486	71,882
Operating profit	4	2,887,962	1,043,178
Interest receivable and similar income	8	95,435	79,166
Interest payable and similar expenses	9	24,229	(19,729)
Amounts written off investments	10	(23,219)	399,873
Profit before taxation		2,984,407	1,502,488
Tax on profit	11	209,034	190,627
Profit for the financial year	29	3,193,441	1,693,115
Profit for the financial year is attributable to:			
- Owners of the parent company		2,799,564	1,217,798
- Non-controlling interests		393,877	475,317
		3,193,441	1,693,115

CSB HOLDINGS LIMITED**GROUP STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 MARCH 2021**

	2021	2020
	£	£
Profit for the year	3,193,441	1,693,115
Other comprehensive income		
Currency translation differences	(918,070)	434,446
Total comprehensive income for the year	<u>2,275,371</u>	<u>2,127,561</u>
 Total comprehensive income for the year is attributable to:		
- Owners of the parent company	1,881,494	1,652,244
- Non-controlling interests	393,877	475,317
	<u>2,275,371</u>	<u>2,127,561</u>

CSB HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2021

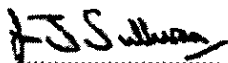
	Notes	2021 £	£	2020 £	£
Fixed assets					
Goodwill	12	1,105,847		1,398,404	
Other intangible assets	12	28,730		75,558	
Total intangible assets		1,134,577		1,473,962	
Tangible assets	13	3,957,247		4,034,684	
Investment properties	14	1,839,912		2,893,626	
Investments	15	1,220,094		1,095,794	
		8,151,830		9,498,066	
Current assets					
Stocks	18	3,418,307		2,051,146	
Debtors	19	15,242,920		18,603,451	
Investments	20	377,118		166,906	
Cash at bank and in hand		12,123,976		10,076,945	
		31,162,321		30,898,448	
Creditors: amounts falling due within one year	21	(25,707,147)		(23,682,435)	
Net current assets		5,455,174		7,216,013	
Total assets less current liabilities		13,607,004		16,714,079	
Creditors: amounts falling due after more than one year	22	(378,616)		(475,476)	
Provisions for liabilities					
Deferred tax liability	25	166,534		252,257	
		(166,534)		(252,257)	
Net assets		13,061,854		15,986,346	
Capital and reserves					
Called up share capital	28	103,393		113,222	
Share premium account	29	319,504		319,504	
Capital redemption reserve	29	20,688		20,688	
Profit and loss reserves	29	11,813,025		15,155,310	
Equity attributable to owners of the parent company		12,256,610		15,608,724	
Non-controlling interests		805,244		377,622	
		13,061,854		15,986,346	

CSB HOLDINGS LIMITED

GROUP BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The financial statements were approved by the board of directors and authorised for issue on14/12/2021 and are signed on its behalf by:



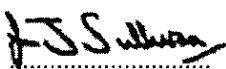
.....
Mr L J Sullivan
Director

CSB HOLDINGS LIMITED**COMPANY BALANCE SHEET****AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	15		3,692,454		3,580,430
Current assets					
Debtors	19	1,054,192		342,545	
Cash at bank and in hand		60,393		33,470	
		<u>1,114,585</u>		<u>376,015</u>	
Creditors: amounts falling due within one year	21	<u>(3,354,250)</u>		<u>(2,734,262)</u>	
Net current liabilities			<u>(2,239,665)</u>		<u>(2,358,247)</u>
Total assets less current liabilities			<u>1,452,789</u>		<u>1,222,183</u>
Capital and reserves					
Called up share capital	28		103,393		113,222
Share premium account	29		319,504		319,504
Capital redemption reserve	29		20,688		20,688
Profit and loss reserves	29		<u>1,009,204</u>		<u>768,769</u>
Total equity			<u>1,452,789</u>		<u>1,222,183</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £5,464,214 (2020 - £249,841 profit).

The financial statements were approved by the board of directors and authorised for issue on 14/12/2021 and are signed on its behalf by:



Mr L J Sullivan
Director

Company Registration No. 02397837

CSB HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Own shares £	Profit and loss reserves £	Total controlling interest £	Non- controlling interest £	Total £
Balance at 1 April 2019		113,222	319,504	20,688	69,686	13,433,380	13,956,480	(90,412)	13,866,068
Year ended 31 March 2020:									
Profit for the year		-	-	-	-	1,217,798	1,217,798	475,317	1,693,115
Other comprehensive income:									
Currency translation differences		-	-	-	-	434,446	434,446	-	434,446
Total comprehensive income for the year		-	-	-	-	1,652,244	1,652,244	475,317	2,127,561
Credit to equity for equity settled share-based payments		-	-	-	-	69,686	69,686	-	69,686
Other movements		-	-	-	(69,686)	-	(69,686)	(7,283)	(76,969)
Balance at 31 March 2020		113,222	319,504	20,688	-	15,155,310	15,608,724	377,622	15,986,346
Year ended 31 March 2021:									
Profit for the year		-	-	-	-	2,799,564	2,799,564	393,877	3,193,441
Other comprehensive income:									
Currency translation differences		-	-	-	-	(918,070)	(918,070)	-	(918,070)
Total comprehensive income for the year		-	-	-	-	1,881,494	1,881,494	393,877	2,275,371
Own shares acquired		-	-	-	-	(5,223,779)	(5,223,779)	-	(5,223,779)
Redemption of shares	28	(9,829)	-	-	-	-	(9,829)	-	(9,829)
Other movements		-	-	-	-	-	-	33,745	33,745
Balance at 31 March 2021		103,393	319,504	20,688	-	11,813,025	12,256,610	805,244	13,061,854

CSB HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2019		113,222	319,504	20,688	518,928	972,342
Year ended 31 March 2020:						
Profit and total comprehensive income for the year		-	-	-	249,841	249,841
Balance at 31 March 2020		113,222	319,504	20,688	768,769	1,222,183
Year ended 31 March 2021:						
Profit and total comprehensive income for the year		-	-	-	5,464,214	5,464,214
Own shares acquired		-	-	-	(5,223,779)	(5,223,779)
Redemption of shares	28	(9,829)	-	-	-	(9,829)
Balance at 31 March 2021		103,393	319,504	20,688	1,009,204	1,452,789

CSB HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	36	6,791,383		627,071	
Prior year adjustment		-		254,599	
Income taxes refund/(paid)		466,883		55,495	
Net cash inflow from operating activities		7,258,266		937,165	
Investing activities					
Purchase of intangible assets		(6,173)		(67,638)	
Purchase of tangible fixed assets		(508,575)		(526,578)	
Proceeds on disposal of tangible fixed assets		54,672		84,336	
Purchase of investment property		-		(26,391)	
Proceeds on disposal of investment property		1,053,714		-	
Payment of deferred consideration		(17,249)		(42,554)	
Decrease in current asset investments		(27,791)		-	
Other investments and loans made		(169,633)		(321,154)	
Interest received		95,435		79,166	
Net cash generated from/(used in) investing activities		474,400		(820,813)	
Financing activities					
Redemption of shares		(9,829)		-	
Purchase of own shares		(5,223,779)		-	
Interest paid		24,229		(19,729)	
Repayment of bank loans		(96,860)		(227,706)	
Net cash used in financing activities		(5,306,239)		(247,435)	
Net increase/(decrease) in cash and cash equivalents		2,426,427		(131,083)	
Cash and cash equivalents at beginning of year		9,996,096		9,960,364	
Effect of foreign exchange rates		(298,547)		166,815	
Cash and cash equivalents at end of year		12,123,976		9,996,096	
Relating to:					
Cash at bank and in hand		12,123,976		10,076,945	
Bank overdrafts included in creditors payable within one year		-		(80,849)	

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

CSB Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Coins Building, 11 St Laurence Way, Slough, Berkshire, SL1 2EA.

The group consists of CSB Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated group financial statements consist of the financial statements of the parent company CSB Holdings Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

- income on installation contracts is recognised once the installation has been completed;
- income arising from the provision of consultancy services is recognised as the work is performed;
- income on maintenance contracts and combined licence/maintenance contracts is recognised evenly over the period of the contract;
- income with respect to licence fees (where it is possible to separate this from maintenance) is recognised once the licence period has commenced.

Costs and billings connected with the sale and installation of computer hardware and software are deferred until delivery. Deferred costs are reported as part of inventory and advanced billings are reported as part of deferred revenue.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10-20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	3 years
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1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2%
Plant and equipment	25%
Fixtures and fittings	25%
Computers	50%
Motor vehicles	25%

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.8 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.10 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.12 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

1.13 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.14 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.15 Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as Other Comprehensive Income or to an item recognised directly in equity is also recognised in Other Comprehensive Income or directly in equity respectively.

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 and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the difference between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.18 Share-based payments

The company participates in a share-based payment arrangement granted to its employees and employees of its subsidiaries. The company has elected to recognise and measure its share-based payment expense on the basis of a reasonable allocation of the expense for the group recognised in its consolidated accounts. The directors consider the number of unvested options granted to the company's employees compared to the total unvested options granted under the group plan to be a reasonable basis for allocating the expense.

The expense in relation to options over the company's shares granted to employees of a subsidiary is recognised by the company as a capital contribution, and presented as an increase in the company's investment in that subsidiary.

1.19 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.20 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.21 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.22 Research and development

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Deferred tax

The Group and company has recognised deferred tax assets relating to prior losses incurred to the extent that they are considered recoverable, based on future forecasts and expected profits. Deferred tax liabilities are recognised in full as they arise.

Recoverability of intra-group loans

The company has provided loans to a fellow subsidiary company which are repayable on demand. Loans are impaired to their recoverable value should the counterparty not have sufficient resources to repay the loan on demand after taking all possible steps including the sale of trade and assets.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Impairment of trade receivables and other debtors

The Group and company makes an estimate of the recoverable value of trade and other receivables. When assessing impairment, management considered factors including the current credit rating of the customer or other debtors, the ageing profile of the receivable, historical experience and any other relevant specific knowledge.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Turnover and other revenue

	2021 £	2020 £
Other significant revenue		
Interest income	95,435	79,166
Grants received	2,108,579	-

	2021 £	2020 £
Turnover analysed by geographical market		
United Kingdom	26,884,923	27,496,005
Other European Union	875,564	891,233
Australia	1,533,635	1,421,952
USA	14,550,566	15,740,137
Middle East	1,237,157	1,506,236
	<u>45,081,845</u>	<u>47,055,563</u>

4 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(262,478)	112,782
Research and development costs	8,320,198	8,560,902
Government grants	(2,108,579)	-
Depreciation of owned tangible fixed assets	396,093	333,172
Depreciation of tangible fixed assets held under finance leases	70,681	110,880
Profit on disposal of tangible fixed assets	(44,980)	(46,655)
Amortisation of intangible assets	314,505	464,429
Loss on disposal of intangible assets	6,206	-
Operating lease charges	159,254	-

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	41,000	35,000
Audit of the financial statements of the company's subsidiaries	45,500	31,000
	<u>86,500</u>	<u>66,000</u>
For other services		
All other non-audit services	<u>36,489</u>	<u>40,500</u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Support, development and technical services	200	180	-	-
Selling and distribution	137	138	-	-
Administration	61	65	-	-
	<u>398</u>	<u>383</u>	<u>-</u>	<u>-</u>

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	21,315,041	20,872,489	-	-
Social security costs	1,931,814	2,027,125	-	-
Pension costs	793,880	803,947	-	-
	<u>24,040,735</u>	<u>23,703,561</u>	<u>-</u>	<u>-</u>

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Directors' remuneration

During the year, emoluments totalling £1,094,085 (2020: £951,107) were paid to directors of the Group. The aggregate pension contributions paid to defined contribution pension schemes in respect of the directors' totalled £17,195 (2020: £20,469).

During the year retirement benefits were accruing to 3 directors (2020: 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £389,716 (2020: £234,098)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £7,007 (2020 - £Nil).

8 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Other interest income	95,435	79,166

9 Interest payable and similar expenses

	2021 £	2020 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	(48,192)	19,729
Other finance costs:		
Interest on finance leases and hire purchase contracts	6,907	-
Other interest	17,056	-
Total finance costs	(24,229)	19,729

10 Fair value losses/gains

	2021 £	2020 £
Fair value gains/(losses) on financial instruments		
Fair value gains/(losses) on revaluation of investment property	-	407,120
Fair value gains/(losses) on revaluation of listed investments	238,002	(7,247)
	238,002	399,873
Other gains/(losses)		
Amounts written off investments held at fair value	(650,578)	-
Other gains and losses	389,357	-
	(23,219)	399,873

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	(209,034)	(190,627)

The actual credit for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	2,984,407	1,502,488
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	567,037	285,473
Tax effect of expenses that are not deductible in determining taxable profit	45,526	100,217
Tax effect of income not taxable in determining taxable profit	(496,013)	27,925
Tax effect of utilisation of tax losses not previously recognised	(166,749)	-
Adjustments in respect of prior years	-	236,949
Research and development tax credit	(349,613)	(811,116)
Effect of overseas tax rates	10,357	(113,652)
Deferred tax not recognised	168,722	(2,503)
Qualifying charitable donations unutilised	(26,220)	57,039
Withholding tax	37,919	-
US State taxes	-	29,041
Taxation credit	(209,034)	(190,627)

CSB HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****12 Intangible fixed assets**

Group	Goodwill £	Software £	Total £
Cost			
At 1 April 2020	5,149,928	4,303,214	9,453,142
Additions	-	6,173	6,173
Disposals	(21,508)	(217,812)	(239,320)
Exchange adjustments	-	(372,811)	(372,811)
At 31 March 2021	5,128,420	3,718,764	8,847,184
Amortisation and impairment			
At 1 April 2020	3,751,524	4,227,656	7,979,180
Amortisation charged for the year	271,049	45,894	316,943
Disposals	-	(211,607)	(211,607)
Exchange adjustments	-	(371,909)	(371,909)
At 31 March 2021	4,022,573	3,690,034	7,712,607
Carrying amount			
At 31 March 2021	1,105,847	28,730	1,134,577
At 31 March 2020	1,398,404	75,558	1,473,962

The company had no intangible fixed assets at 31 March 2021 or 31 March 2020.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 April 2020	3,894,385	579,039	831,228	1,600,142	428,358	7,333,152
Additions	23,352	36,724	6,111	339,760	102,631	508,578
Disposals	-	(131,286)	(43,935)	(201,853)	(184,786)	(561,860)
Exchange adjustments	(75,049)	(2,508)	(52,001)	(44,880)	(7,752)	(182,190)
At 31 March 2021	3,842,688	481,969	741,403	1,693,169	338,451	7,097,680
Depreciation and impairment						
At 1 April 2020	597,208	540,558	596,607	1,327,996	236,099	3,298,468
Depreciation charged in the year	52,126	29,211	54,123	255,784	75,530	466,774
Eliminated in respect of disposals	-	(129,229)	(43,935)	(201,853)	(145,457)	(520,474)
Exchange adjustments	(21,868)	(1,676)	(37,258)	(35,784)	(7,749)	(104,335)
At 31 March 2021	627,466	438,864	569,537	1,346,143	158,423	3,140,433
Carrying amount						
At 31 March 2021	3,215,222	43,105	171,866	347,026	180,028	3,957,247
At 31 March 2020	3,297,177	38,481	234,621	272,146	192,259	4,034,684

The company had no tangible fixed assets at 31 March 2021 or 31 March 2020.

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2021 £	2020 £	Company 2021 £	2020 £
Motor vehicles	-	8,899	-	-
Computers	117,802	19,047	-	-
	117,802	27,946	-	-

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Investment property

	Group 2021 £	Company 2021 £
Fair value		
At 1 April 2020	2,893,626	-
Additions through external acquisition	11,398	-
Disposals	(822,075)	-
Net gains or losses through fair value adjustments	(243,037)	-
At 31 March 2021	1,839,912	-

Investment property comprises of freehold land and buildings. The fair value of the investment has been arrived at by management. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

15 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	16	-	-	2,528,503	2,527,483
Unlisted investments		1,220,094	1,095,794	1,163,951	1,052,947
		<u>1,220,094</u>	<u>1,095,794</u>	<u>3,692,454</u>	<u>3,580,430</u>

Movements in fixed asset investments

Group	Investments other than loans £
Cost or valuation	
At 1 April 2020	1,215,288
Additions	169,633
Exchange adjustments	3,892
At 31 March 2021	<u>1,388,813</u>
Impairment	
At 1 April 2020	119,494
Impairment losses	49,225
At 31 March 2021	<u>168,719</u>
Carrying amount	
At 31 March 2021	<u>1,220,094</u>
At 31 March 2020	<u>1,095,794</u>

CSB HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****15 Fixed asset investments****Movements in fixed asset investments
Company**

	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost or valuation			
At 1 April 2020	2,527,483	1,052,947	3,580,430
Additions	1,020	111,004	112,024
At 31 March 2021	2,528,503	1,163,951	3,692,454
Carrying amount			
At 31 March 2021	2,528,503	1,163,951	3,692,454
At 31 March 2020	2,527,483	1,052,947	3,580,430

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office address	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Construction Industry Solutions Limited	1	Design and installation of computer systems	Ordinary	100.00	-
EAC (Projects) Limited*	1	Dormant	Ordinary	-	100.00
S&J Management Services Limited*	1	Holding company	Ordinary	-	100.00
E-Xact Online Limited****	1	Provider of internet	Ordinary	-	100.00
Pervasic Limited*	1	Design and installation of computer systems	Ordinary	-	100.00
SNX505 Limited	1	Property development	Ordinary	100.00	-
Aynstone Limited	1	Property development	Ordinary	30.00	-
AYN101 Limited*****	1	Property development	Ordinary	-	30.00
AA Properties and Construction Limited*****	1	Property development	Ordinary	-	30.00
AYN Putney Bridge Road Limited*****	1	Property development	Ordinary	-	30.00
Gane International Limited*	1	Dormant	Ordinary	-	100.00
Diamonds Software Limited*	1	Software development	Ordinary	-	100.00
Computer Systems for Business Limited	1	Dormant	Ordinary	100.00	-
Construction Industry Solutions Corp**	2	Design and installation of computer systems	Ordinary	-	100.00
COINS US Group Corporation	2	Holding company	Ordinary	100.00	-
COINS Hotelbetrieb GmbH	3	Hotel management	Ordinary	100.00	-
Birgkarhaus Bessitz GmbH	3	Property holding company	Ordinary	100.00	-
Birgkarhaus Hotelbetrieb GmbH	3	Hotel management	Ordinary	100.00	-
Construction Industry Solutions Ireland Limited*	4	Design and installation of computer systems	Ordinary	100.00	-
Fulcro Engineering Services Limited*	5	Design and installation of computer systems	Ordinary	-	51.00
Metz Architects Limited***	5	Architectural activities	Ordinary	-	51.00
Construction Industry Solutions ME FZE*	6	Design and installation of computer systems	Ordinary	-	90.00
Foreign Limited Liability Company "COINS"	7	Design and installation of computer systems	Ordinary	100.00	-
Construction Industry (Australia) Pty Limited*	8	Dormant	Ordinary	-	100.00

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Subsidiaries

- * Held indirectly through Construction Industry Solutions Limited
- ** Held indirectly through Coins US Group Corporation
- *** Held indirectly through Fulcro Engineering Services Limited
- **** Held indirectly through S & J Management Services Limited
- ***** *Held indirectly through Aynstone Limited*

List of Registered Office Addresses:

Address 1: 11 St Laurence Way, Slough, Berkshire, SL1 2EA

Address 2: COINS Building, 6 Airport Park Blyd. Latham, NY 12110-6404

Address 3: Alpengasthof Birgkarhaus, Nr. 1915505 Mühlback, am Hochkönig

Address 4: 24-26 City Quay, Dublin

Address 5: Unit 3a Wixford Park, Georges Elm Lane Bidford-On-Avon, Alcester, Warwickshire, B50 4JS

Address 6: PO Box 120118, Saif Lounge R2-0282, Sharjah Airport International Free Zone, Sharjah, United Arab Emirates

Address 7: Stroilteley strt 27, Office 1, Vitebsk, Belerus, 210038

Address 8: King George Central, Level 18, 145 Ann Street, Brisbane, QLD 4000

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Financial instruments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	14,413,156	17,565,145	1,051,492	342,545
Equity instruments measured at cost less impairment	12,501,094	10,243,851	60,393	33,470
Carrying amount of financial liabilities				
Measured at amortised cost	2,763,302	3,075,385	3,354,250	2,734,262

18 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Raw materials and consumables	19,680	-	-	-
Finished goods and goods for resale	3,398,627	2,051,146	-	-
	3,418,307	2,051,146	-	-

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	5,175,683	7,338,157	-	-
Unpaid share capital	-	1,020	-	-
Corporation tax recoverable	827,064	1,152,769	-	-
Amounts owed by group undertakings	-	-	1,051,492	339,584
Other debtors	5,083,196	5,575,701	2,700	2,961
Prepayments and accrued income	4,156,977	4,535,804	-	-
	<u>15,242,920</u>	<u>18,603,451</u>	<u>1,054,192</u>	<u>342,545</u>

Impairment provision against trade debtors amounted to £422,701 (2020: £969,700).

Impairment provision against amounts owed from associated undertakings amounted to £272,870 (2020: £272,870).

Impairment provision against other debtors amounted to £1,213,404 (2020: £1,045,827).

Impairment losses are recorded within Administrative expenses in the Consolidated Statement of Comprehensive Income.

20 Current asset investments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Listed investments	<u>377,118</u>	<u>166,906</u>	<u>-</u>	<u>-</u>

Urbanise.com Limited is quoted on the Australian Securities Exchange and has a fair value of £377,118 (2020: £166,906) based on the published share price as at the reporting date.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Creditors: amounts falling due within one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	23	256,757	337,606	-	-
Obligations under finance leases	24	58,513	-	-	-
Trade creditors		1,913,819	2,737,779	-	-
Amounts owed to group undertakings		-	-	3,313,247	2,734,259
Corporation tax payable		101,871	222,478	-	-
Other taxation and social security		3,063,587	2,029,457	-	-
Deferred income	26	16,707,997	16,057,905	-	-
Other creditors		155,597	143,641	3	3
Accruals and deferred income		3,449,006	2,153,569	41,000	-
		<u>25,707,147</u>	<u>23,682,435</u>	<u>3,354,250</u>	<u>2,734,262</u>

22 Creditors: amounts falling due after more than one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	23	266,236	475,476	-	-
Obligations under finance leases	24	112,380	-	-	-
		<u>378,616</u>	<u>475,476</u>	<u>-</u>	<u>-</u>

23 Loans and overdrafts

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	522,993	732,233	-	-
Bank overdrafts	-	80,849	-	-
	<u>522,993</u>	<u>813,082</u>	<u>-</u>	<u>-</u>
Payable within one year	256,757	337,606	-	-
Payable after one year	266,236	475,476	-	-

The bank borrowings are secured by a fixed and floating charged over the Group's freehold property and a cross guarantee and debenture with Construction Industry Solutions Limited.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

24 Finance lease obligations

	Group 2021 £	2020 £	Company 2021 £	2020 £
Future minimum lease payments due under finance leases:				
Within one year	58,513	33,771	-	-
In two to five years	112,380	-	-	-
	<u>170,893</u>	<u>33,771</u>	<u>-</u>	<u>-</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery and motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

25 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities 2021 £	Liabilities 2020 £
Accelerated capital allowances	99,030	248,326
Tax losses	(9,617)	(9,617)
Other timing differences	77,121	13,548
	<u>166,534</u>	<u>252,257</u>

The company has no deferred tax assets or liabilities.

	Group 2021 £	Company 2021 £
Movements in the year:		
Liability at 1 April 2020	252,257	-
Credit to profit or loss	(85,723)	-
Liability at 31 March 2021	<u>166,534</u>	<u>-</u>

The group has an unrecognised deferred tax asset of £1,397,758 (2020: £1,490,896) in respect of tax losses carried forward. The asset has not been recognised as recognition criteria have not been met.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

26 Deferred income

	Group 2021 £	2020 £	Company 2021 £	2020 £
Other deferred income	16,707,997	16,057,905	-	-

27 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	793,880	803,947

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

28 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of 1p each	9,788,099	10,569,093	97,881	105,691
A ordinary non-voting shares of 1p each	551,152	753,141	5,512	7,531
	10,339,251	11,322,234	103,393	113,222

A ordinary non-voting shares

The A ordinary non-voting shares rank pari passu to ordinary shares for participation in the profits and assets of the company and in all other respects except that A ordinary non-voting shares do not entitle the holders to receive notice of or to attend or vote at any general meeting.

During the year the Group bought back 780,994 ordinary shares and 201,989 A ordinary non-voting shares at £5.30 per share.

29 Reserves

Share premium

The share premium account represents the excess paid for share capital issued by the company over and above the nominal value of the shares issued.

Share option reserve

The share option reserve represents the accumulated charge for share option agreements which are yet to be exercised.

Other reserves

The other reserves represent accumulated other reserves built up through the life of the company.

Profit and loss account

The profit and loss account represents the accumulated results of the company, less any dividends paid.

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

30 Financial commitments, guarantees and contingent liabilities

The company's UK subsidiaries, Pervasic Limited, S&J Management Services Limited, E-Xact Online Limited, Aynstone Limited and SNX 505 Limited are exempt from the requirements to audit their financial statements under section 479A of the Companies Act 2006. Under Section 479C of the Companies Act 2006, CSB Holdings Limited, being the ultimate parent undertaking of the above named companies, has given a statutory guarantee of all the outstanding liabilities to which Pervasic Limited, S&J Management Limited, E-Xact Online Limited, SNX 505 Limited, Aynstone Limited, AYN101 Limited, AA Properties and Construction Limited and AYN Putney Bridge Road Limited are subject at 31 March 2021 and beyond.

31 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	682,713	748,375	-	-
Between two and five years	1,317,552	1,544,671	-	-
In over five years	487,797	544,025	-	-
	<u>2,488,062</u>	<u>2,837,071</u>	<u>-</u>	<u>-</u>

Lease payments recognised as an expense during the year amounted to £735,187 (2020: £825,904) for the Group.

32 Related party transactions

Transactions with related parties

The Group has taken advantage of the exemption in FRS 102 Section 33 'Related Party Disclosures' from the requirement to disclose transactions with wholly owned group companies on the grounds that all the group companies are wholly owned.

During the year the group entered into the following transactions with related parties:

	Sales 2021 £	2020 £	Purchases 2021 £	2020 £
Group				
Entities under common control	<u>65,310</u>	<u>65,785</u>	<u>304,080</u>	<u>492,356</u>

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2021 £	2020 £
Group		
Entities under common control	<u>94</u>	<u>-</u>

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

32 Related party transactions

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2021 Balance £	2021 Provision £	2021 Net £	2020 Balance £	2020 Provision £	2020 Net £
Group						
Entities under common control	2,331,455	778,196	1,553,259	1,187,539	272,871	914,668

Other information

During the year the Company granted a waiver of £139,000 on a loan to a related party.

33 Directors' transactions

A company within the Group has provided a loan to Director 1, on which interest is charged at the official HMRC rate.

A company within the Group has provided an interest free loan to Directors 2, 3, 4, and 5.

Description	Opening balance £	Amounts repaid £	Closing balance £
Director 1	844,914	(395,585)	449,329
Director 2	13,346	-	13,346
Director 3	131,729	(131,729)	-
Director 4	56,684	(34,826)	21,858
Director 5	374,616	(292,641)	81,975
	<u>1,421,289</u>	<u>(854,781)</u>	<u>566,508</u>

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

34 Controlling party

The directors consider Mr L J Sullivan to be the ultimate controlling party by virtue of his majority shareholding in the company's shares.

35 Audit exemptions for subsidiary companies

Listed below are subsidiaries controlled and consolidated by the group, where the Directors have taken the exemption from having an audit of its financial statements for the year ended 31 March 2021. This exemption is taken in accordance with the UK Companies Act, S479A.

E-Xact Online Limited

Pervasic Limited

S&J Management Services Limited

Aynstone Limited

AYN101 Limited

AA Properties and Construction Limited

AYN Putney Bridge Road Limited

CSB HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

36 Cash generated from group operations

	2021 £	2020 £
Profit for the year after tax	3,193,441	1,693,115
Adjustments for:		
Taxation credited	(209,034)	(190,626)
Finance costs	(161,285)	19,729
Investment income	(95,435)	(79,166)
Gain on disposal of tangible fixed assets	(3,659)	(46,655)
Investment property revaluation	-	(407,120)
Amortisation and impairment of intangible assets	316,943	464,429
Depreciation and impairment of tangible fixed assets	466,772	444,051
Impairment of fixed asset investments	49,225	30,000
Foreign exchange movements	102,668	(44,248)
Fair value adjustments in current investments	(238,002)	7,247
Movements in working capital:		
Increase in stocks	(1,367,161)	(817,897)
Decrease/(increase) in debtors	2,513,445	(1,484,239)
Increase in creditors	2,223,465	1,038,451
Cash generated from operations	6,791,383	627,071

37 Analysis of changes in net funds - group

	1 April 2020 £	Cash flows 31 March 2021 £	
Cash at bank and in hand	10,076,945	2,047,031	12,123,976
Bank overdrafts	(80,849)	80,849	-
	9,996,096	2,127,880	12,123,976
Borrowings excluding overdrafts	(732,233)	209,240	(522,993)
Obligations under finance leases	-	(170,893)	(170,893)
	9,263,863	2,166,227	11,430,090

38 Analysis of changes in net funds - company

	1 April 2020 £	Cash flows 31 March 2021 £	
Cash at bank and in hand	33,470	26,923	60,393