

Registered number: 09359124

OBJECTWAY GROUP UK LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2015

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OBJECTWAY GROUP UK LIMITED

COMPANY INFORMATION

DIRECTORS	X Bvba (appointed 17 December 2014) A Traverso (appointed 17 December 2014) L Marciano (appointed 17 December 2014)
REGISTERED NUMBER	09359124
REGISTERED OFFICE	Level 35 Mail Drop 25 Canada Square London E14 5LQ
INDEPENDENT AUDITORS	PKF Littlejohn LLP Statutory Auditors 1 Westferry Circus Canary Wharf London E14 4HD

OBJECTWAY GROUP UK LIMITED

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OBJECTWAY GROUP UK LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 30 JUNE 2015

INTRODUCTION

The Directors present their Strategic Report together with the audited financial statements for the period ended 30th June 2015.

BUSINESS REVIEW

The Company acts as a holding company for the whole of the business generated by its two UK subsidiaries.

The Group's principal activity and those of its subsidiaries, is the provision of software and services to the international banking and securities markets, particularly with regard to its investment management and stockbroking products.

Revenues are generated from the licensing and maintenance of software products, the intellectual property is owned by the Company or its parent. These products need to be implemented for use by a client, and implementation work is usually chargeable, either as a fixed price contract or time and materials. Sometimes clients who use products need bespoke developments to support their business, and these are charged as either fixed price or time and material projects. In other cases the Group provides hardware operations services to run the software products, if the client wants to outsource this rather than do it themselves. The Group also provides entirely bespoke services for clients who want to hire professional skills to work on their existing systems, or undertake new developments on their behalf.

The major cost in the Group is therefore the staff that creates and maintains the software products, or provides the services. Costs include salary and bonus, travel and subsistence, as well as office accommodation and systems on which to work. In order to promote the products and services available, the Group employs sales staff and runs a range of marketing activities, targeting the prospective clients.

Generally, the Group provides products and services to the Financial Services Industry, in the EMEA market. The core sectors served are Banking, Insurance, Asset Management, Wealth management and Private Client stock broking.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group has a strong position in the UK market in the Asset Management, Wealth Management and private client stock broking markets; this has proven to be a resilient sector, even during the recent financial downturn albeit with limited growth potential.

The major future uncertainty for the Group is the capability and confidence of the European Financial Services industry to invest in, or enhance, their systems infrastructure. The global financial down turn and economic recession experienced in recent times has had a material impact on the business and the rate at which the market recovers confidence is a future uncertainty.

The Group's credit risk, which is mainly attributable to its trade debtors, is minimal, with no current bad debts and debtor days averaging between 25 - 31 days.

Cash flows are monitored daily as part of its normal control procedures. Regular forecasts control the Company's cash needs.

KEY PERFORMANCE INDICATORS

The Group's management regularly reviews various KPI's but in the main concentrate on variances between actual revenues and net margins against budgets, also on a monthly basis against prior month forecasts.

In the year ended 30th June 2015 the Company generated a net loss of £167k mainly ascribed to the accrued interest cost on the intercompany loan of £8,316k.

Cash flow is monitored on a daily basis as part of normal control procedures. Regular forecasts control the Company's cash needs.

OBJECTWAY GROUP UK LIMITED

**GROUP STRATEGIC REPORT (continued)
FOR THE PERIOD ENDED 30 JUNE 2015**

FUNDING AND GOING CONCERN

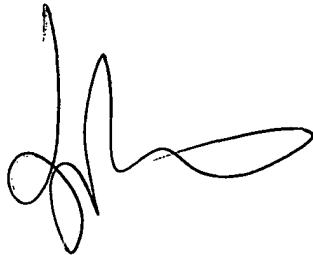
As of 30th June 2015 the Group shows positive net cash position of £1,044k and an outstanding intercompany loan of £8,316k granted by the Italian parent company Objectway Financial Software S.p.A. and due for repayment on 31st December 2019.

Based on a formal letter dated 15th September 2015, Objectway Financial Software S.p.A. confirms that they will not call upon this debt for at least 12 months from the signing of the financial statements for the period ended 30th June 2015.

Based on the above, the Directors deem appropriate to prepare the financial statements on the going concern basis.

This report was approved by the board on 14 October 2015 and signed on its behalf.

**L. Marciano
Director**

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

OBJECTWAY GROUP UK LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2015

The directors present their report and the financial statements for the period ended 30 June 2015.

PRINCIPAL ACTIVITY

The principal activity of the Company is a Holding Company. The Company was incorporated in 17 December 2014 and began to trade on this date. On 23 December 2014 100% of the share capital of Objectway Limited was acquired. Objectway Limited has a 100% subsidiary Company being Objectway (Flagship) Limited.

The Company was incorporated and originally named Objectway UK Limited. It subsequently changed its name to Objectway Group UK Limited on 22 January 2015.

The principal activities of the subsidiaries Objectway Limited and Objectway (Flagship) Limited are as detailed in the Strategic Report.

DIRECTORS

The directors who served during the period were:

X Bvba (appointed 17 December 2014)
A Traverso (appointed 17 December 2014)
L Marciano (appointed 17 December 2014)

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

AUDITORS

The auditors, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 14 October 2015 and signed on its behalf.



L Marciano
Director

OBJECTWAY GROUP UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 30 JUNE 2015

The directors are responsible for preparing the Group strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

OBJECTWAY GROUP UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF OBJECTWAY GROUP UK LIMITED

We have audited the financial statements of Objectway Group UK Limited for the period ended 30 June 2015, set out on pages 7 to 25. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2015 and of the group's profit for the period 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.

EMPHASIS OF MATTER - UNCERTAIN VALUATION OF INTANGIBLE ASSET

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the presentation and disclosures made in the financial statements concerning the capitalised development costs, in relation to a new software product. Details of the circumstances relating to this significant uncertainty are described in note 12 and quantification of this uncertainty is not possible given the subjective nature of the value and timing of future income streams.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Group strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

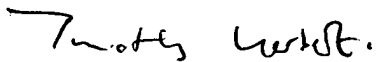
OBJECTWAY GROUP UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF OBJECTWAY GROUP UK LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.



Timothy Herbert (Senior statutory auditor)

for and on behalf of
PKF Littlejohn LLP

Statutory Auditors

1 Westferry Circus
Canary Wharf
London
E14 4HD

Date: 14 October 2015

OBJECTWAY GROUP UK LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 JUNE 2015**

	Note	2015 £
TURNOVER	1,2	
Continuing operations		6,035,611
Administrative expenses	3	(4,727,011)
Exceptional administrative expenses		(529,401)
Total administrative expenses		(5,256,412)
OPERATING PROFIT	4	779,199
Interest receivable and similar income		2
Interest payable and similar charges	9	(170,777)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		608,424
Tax on profit on ordinary activities	11	454,265
PROFIT FOR THE FINANCIAL PERIOD	20	1,062,689

There were no recognised gains and losses for 2015 other than those included in the Profit and loss account.

The notes on pages 10 to 25 form part of these financial statements.

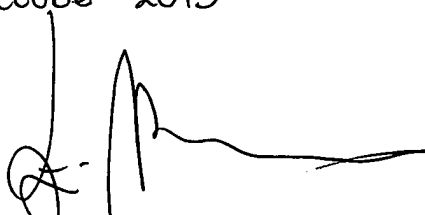
OBJECTWAY GROUP UK LIMITED
REGISTERED NUMBER: 09359124

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2015

	Note	£	2015 £
FIXED ASSETS			
Intangible assets	12		12,098,412
Tangible assets	13		118,069
			<u>12,216,481</u>
CURRENT ASSETS			
Debtors	15	3,400,542	
Cash at bank and in hand		1,044,476	
		<u>4,445,018</u>	
CREDITORS: amounts falling due within one year	16	(13,435,147)	
NET CURRENT LIABILITIES			<u>(8,990,129)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,226,352</u>
CREDITORS: amounts falling due after more than one year	17		(2,163,662)
NET ASSETS			<u>1,062,690</u>
CAPITAL AND RESERVES			
Called up share capital	19		1
Profit and loss account	20		1,062,689
SHAREHOLDERS' FUNDS	21		<u>1,062,690</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 October 2015

L Marciano
 Director



The notes on pages 10 to 25 form part of these financial statements.

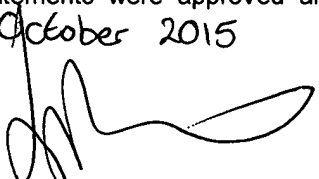
OBJECTWAY GROUP UK LIMITED
REGISTERED NUMBER: 09359124

COMPANY BALANCE SHEET
AS AT 30 JUNE 2015

	Note	£	2015 £
FIXED ASSETS			
Investments	14		9,127,800
CURRENT ASSETS			
Debtors	15	6,700	
Cash at bank and in hand		12,337	
		<u>19,037</u>	
CREDITORS: amounts falling due within one year	16	<u>(9,313,891)</u>	
NET CURRENT LIABILITIES			<u>(9,294,854)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(167,054)</u>
CAPITAL AND RESERVES			
Called up share capital	19		1
Profit and loss account	20		<u>(167,055)</u>
SHAREHOLDERS' DEFICIT	21		<u>(167,054)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 October 2015

L Marciano
 Director



The notes on pages 10 to 25 form part of these financial statements.

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.2 Going concern

In the opinion of the Directors, with the financial support of its ultimate parent entity, Objectway Financial Software SPA, for the foreseeable future, the Company continues to be a going concern as it has sufficient cash resources to fund the ongoing activities of the Company for at least the next 12 months.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Objectway Group UK Limited and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the period are included from the effective date of acquisition.

1.4 Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales, as follows:

Revenue from licences are recognised upon delivery to a customer when there are no significant vendor obligations remaining and the collection of the resulting receivable is considered probable. In circumstances where a considerable vendor obligation exists, revenue recognition is delayed until the obligation has been satisfied.

Service revenue comprises revenues for maintenance, transaction processing and professional services. Maintenance and support contracts are recognised evenly over the period of the contract. Where multiple element contracts are entered into and the constituent parts do not stand alone, all revenues are spread over the period of the contract. Electronic data interchange and remote processing services are recognised monthly as work is performed. Professional services, such as implementation, training and consultancy, are recognised when the services are performed.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Development costs capitalised are to be amortised when the asset is brought into use.

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

1. ACCOUNTING POLICIES (continued)

1.6 Research and development

Development costs are charged to the profit and loss account in the year of expenditure, unless the individual projects satisfy all the following criteria:

- the project is clearly defined and related expenditure is separately identifiable
- the project is technically feasible and commercially viable;
- current and future costs are expected to be exceeded by future sales; and
- adequate resources exist for the project to be completed.

In such circumstances the costs are carried forward and amortised over a period not exceeding ten year commencing in the year the group starts to benefit from the expenditure

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

S/Term Leasehold Property	-	Straight line over the life of the lease
Office equipment	-	3 years straight line

1.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.10 Operating leases

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

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

1. ACCOUNTING POLICIES (continued)

1.11 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.13 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the period.

1.14 Significant accounting judgements, estimates and assumptions

The preparation of the financial information in conformity with UK GAAP requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the year-end date and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those 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 if the revision affects only that period, or in the period of revision and future period if the provision affects both the current and future periods. The principle areas in which judgement applies are as follows:

Impairment of assets:

When the recoverable amount of an asset is determined based on the estimate of the value-in use of the cash generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

2. TURNOVER

A geographical split of turnover is as follows:

	2015 £
United Kingdom	5,773,673
Europe	231,827
Rest of the world	30,111
	<hr/>
	6,035,611
	<hr/>

Turnover is wholly attributable to the principal activity of the Group and is from continuing activities.

3. ANALYSIS OF OPERATING PROFIT

	2015 Continuing £
Turnover	6,035,611
Administrative expenses	(5,256,412)
	<hr/>
	779,199
	<hr/>

The above amounts were included within continuing activities in relation to acquisitions during the period.

4. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £
Amortisation - intangible fixed assets	459,746
Depreciation of tangible fixed assets:	
- owned by the group	38,490
Operating lease rentals:	
- other operating leases	213,657
Difference on foreign exchange	(1,919)
	<hr/>

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

5. AUDITORS' REMUNERATION

	2015 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	3,800
Fees payable to the company's auditor and its associates in respect of:	
The auditing of accounts of subsidiaries of the company	20,200
Audit-related assurance services	4,000
Taxation compliance services	4,250
	<u>28,250</u>

6. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015 £
Wages and salaries	1,936,912
Social security costs	253,220
Other pension costs	312,112
	<u>2,502,244</u>

The average monthly number of employees, including the directors, during the period was as follows:

	2015 No.
Programming & Support	94
Sales	2
Admin & Management	15
	<u>111</u>

7. DIRECTORS' REMUNERATION

During the period retirement benefits were accruing to no directors in respect of defined contribution pension schemes.

8. SHARE BASED PAYMENTS

Employees of Objectway Limited were previously members of a share option scheme that was operated by the former ultimate parent company of that entity being 3i Infotech Limited, a public Company incorporated in India.

All share based payment liabilities were settled as part of the sales agreement. There were therefore £nil options outstanding at the period end (2014: £899,500).

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

9. INTEREST PAYABLE

	2015 £
On bank loans and overdrafts	2,015
On other loans	168,762
	<hr/> 170,777 <hr/>

10. EXCEPTIONAL ITEMS

	2015 £
Related company debt written off	219,747
Redundancy payments	309,654
	<hr/> 529,401 <hr/>

During the period ending 30 June 2015 the Company acquired two new subsidiaries in Objectway Limited and Objectway Flagship Limited.

The exceptional cost recorded in the period ended 30 June 2015 of £309,654 relates to the redundancy payments made to staff as a result of the acquisition detailed above. The staff who received this redundancy payment included two former Directors and one former employee of the subsidiary entity being Objectway Limited (formerly known as 3i Infotech (Western Europe) Limited). The Directors were not Directors of Objectway Group UK Limited.

The exceptional cost recorded in the period ended 30 June 2015 of £219,747 relates to the write off of intercompany balances between Objectway Limited and members of the previous group that Objectway Limited was acquired from. These balances were written off post acquisition in line with the reorganisation of intercompany balances held within Objectway Limited at acquisition.

11. TAXATION

	2015 £
Analysis of tax charge in the period	
Current tax (see note below)	
UK corporation tax charge on profit for the period	8,238
Deferred tax (see note 18)	
Origination and reversal of timing differences	(462,503)
Tax on profit on ordinary activities	<hr/> (454,265) <hr/>

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

11. TAXATION (continued)

Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 20%. The differences are explained below:

	2015 £
Profit on ordinary activities before tax	608,424
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20%	121,685
Effects of:	
Non-tax deductible amortisation of goodwill and impairment	91,949
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	228,607
Capital allowances for period in excess of depreciation	(89,232)
Utilisation of tax losses	(332,133)
Other differences leading to an increase (decrease) in the tax charge	(12,638)
Current tax charge for the period (see note above)	8,238

Factors that may affect future tax charges

Objectway Group UK Limited has non-trading losses carried forward of £60,034 which can be offset against future non-trading profits made by the Company.

Objectway Limited (formerly 3i Infotech (Western Europe) Limited) has trading losses of £411,081 and capital losses of £205,421 carried forward which can be offset against future trading and capital profits.

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

12. INTANGIBLE FIXED ASSETS

Group	Develop't costs £	Goodwill £	Total £
Cost			
At 17 December 2014	-	-	-
Additions	3,363,246	9,194,912	12,558,158
At 30 June 2015	3,363,246	9,194,912	12,558,158
Amortisation			
At 17 December 2014	-	-	-
Charge for the period	-	459,746	459,746
At 30 June 2015	-	459,746	459,746
Net book value			
At 30 June 2015	3,363,246	8,735,166	12,098,412

The development costs relate to a newly designed software product which is in the final stage of development. Based on the value and timings of future cashflows from sales, the Directors consider that no impairment is required although they believe that there could be significant uncertainty.

Amortisation will commence upon the asset being brought into use in the year ended 30 June 2016.

Goodwill relates to the purchase of the subsidiaries in the period, as detailed in Note 22.

13. TANGIBLE FIXED ASSETS

Group	S/Term Leasehold Property £	Office equipment £	Total £
Cost			
At 17 December 2014	-	-	-
Additions	31,886	124,673	156,559
At 30 June 2015	31,886	124,673	156,559
Depreciation			
At 17 December 2014	-	-	-
Charge for the period	13,190	25,300	38,490
At 30 June 2015	13,190	25,300	38,490
Net book value			
At 30 June 2015	18,696	99,373	118,069

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

14. FIXED ASSET INVESTMENTS

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Objectway Flagship Limited	Class A	100 %
Objectway Limited	Class A	100 %

The aggregate of the share capital and reserves as at 30 June 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Objectway Flagship Limited	1,216,068	44,721
Objectway Limited	1,911,128	1,522,744

Company	Investments in subsidiary companies £
Cost or valuation	
Additions	9,127,800
At 30 June 2015	9,127,800
Net book value	
At 30 June 2015	9,127,800

15. DEBTORS

	<u>Group</u>	<u>Company</u>
	2015	2015
	£	£
Trade debtors	1,054,382	-
Other debtors	85,625	6,700
Prepayments and accrued income	1,798,032	-
Deferred tax asset (see note 18)	462,503	-
	<u>3,400,542</u>	<u>6,700</u>

OBJECTWAY GROUP UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015**

**16. CREDITORS:
Amounts falling due within one year**

	<u>Group</u>	<u>Company</u>
	2015	2015
	£	£
Trade creditors	387,208	-
Amounts owed to group undertakings	8,316,076	9,313,891
Corporation tax	8,238	-
Other taxation and social security	810,704	-
Accruals and deferred income	3,912,921	-
	<u>13,435,147</u>	<u>9,313,891</u>

**17. CREDITORS:
Amounts falling due after more than one year**

	<u>Group</u>	<u>Company</u>
	2015	2015
	£	£
Accruals and deferred income	2,163,662	-
	<u>2,163,662</u>	<u>-</u>

18. DEFERRED TAXATION

	<u>Group</u>	<u>Company</u>
	2015	2015
	£	£
At beginning of period	-	-
Credit during the period (P&L)	462,503	-
	<u>462,503</u>	<u>-</u>
At end of period	<u>462,503</u>	<u>-</u>

The deferred taxation balance is made up as follows:

	<u>Group</u>	<u>Company</u>
	2015	2015
	£	£
Accelerated capital allowances	379,660	-
Tax losses carried forward	82,843	-
	<u>462,503</u>	<u>-</u>

OBJECTWAY GROUP UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015**

19. SHARE CAPITAL

**2015
£**

Allotted, called up and fully paid

1 Ordinary Shares share of £1

1

Share capital was issued on incorporation and paid in full for its nominal value of £1.

20. RESERVES

**Profit and
loss account
£**

Group

Profit for the financial period

1,062,689

At 30 June 2015

1,062,689

**Profit and
loss account
£**

Company

Loss for the financial period

(167,055)

At 30 June 2015

(167,055)

OBJECTWAY GROUP UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015**

21. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £
Group	
Opening shareholders' funds	-
Profit for the financial period	1,062,689
Shares issued during the period	1
	<hr/>
Closing shareholders' funds	1,062,690
	<hr/> <hr/>
 Company	 2015 £
Opening shareholders' funds	-
Loss for the financial period	(167,055)
Shares issued during the period	1
	<hr/>
Closing shareholders' deficit	(167,054)
	<hr/> <hr/>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The loss for the period dealt with in the accounts of the company was £167,055.

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

22. ACQUISITIONS AND DISPOSALS

On 23 December 2014 Objectway Limited (formerly known as 3i Infotech (Western Europe) Limited) and Objectway Flagship Limited (formerly known as 3i Infotech (Flagship - UK) Limited) were purchased for a consideration of £8,040,604. Objectway Limited became a wholly owned subsidiary of this Company and Objectway Flagship Limited remained a 100% subsidiary of Objectway Limited.

Acquisitions - Objectway Limited (formerly known as 3i Infotech (Western Europe) Limited)

	Vendors' book value £	Fair value to the group £
Assets and liabilities acquired		
Tangible fixed assets	91,797	91,797
Intangible fixed assets	2,616,899	2,616,899
Debtors	8,242,388	8,242,388
Cash at bank	17,002	17,002
Bank overdrafts	(2,500,970)	(2,500,970)
Creditors and provisions	(9,734,785)	(9,734,785)
Net liabilities acquired	<u>(1,267,669)</u>	<u>(1,267,669)</u>
Satisfied by		
Consideration:		
Cash		8,040,604
Acquisition costs		1,087,196
Fair value of net assets of Objectway Flagship Limited		<u>(1,200,557)</u>
		<u>7,927,243</u>
Goodwill arising on consolidation (see note 12)		<u>9,194,912</u>

Goodwill is being amortised over 10 years being the estimate useful economic life of the asset.

The summarised profit and loss account for Objectway Limited (formerly known as 3i Infotech (Western Europe) Limited) for the period from 1 April 2014 to the date of acquisition was as follows:

Turnover	<u>8,448,193</u>
Operating loss	<u>(151,235)</u>
Loss before tax	<u>(151,235)</u>
Loss after tax	<u>(151,235)</u>

The acquired company's loss after tax for its previous period (being the year ended 31 March 2014) was £180,564.

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

Acquisitions - Objectway Flagship Limited (formerly known as 3i Infotech (Flagship - UK) Limited), being a 100% subsidiary of Objectway Limited (formerly known as 3i Infotech (Western Europe) Limited)

	Vendors' book value £	Fair value to the group £
Assets and liabilities acquired		
Debtors	692,431	692,431
Cash at bank	603,038	603,038
Other creditors and provisions	(94,912)	(94,912)
Net assets acquired	<u>1,200,557</u>	<u>1,200,557</u>
Fair value of assets and liabilities included within purchase consideration of its immediate Parent being Objectway Limited		<u>1,200,557</u>
Surplus arising on consolidation taken to capital reserve (see note 20)		<u>-</u>

The summarised profit and loss account for Objectway Flagship Limited (formerly known as 3i Infotech (Flagship - UK) Limited) for the period from 1 April 2014 to the date of acquisition was as follows:

Turnover	<u>133,758</u>
Operating profit	<u>29,210</u>
Profit before tax	<u>29,210</u>
Profit after tax	<u>29,210</u>

The acquired company's after tax for its previous period (being the year ended 31 March 2014) was £28,306.

23. PENSION COMMITMENTS

The subsidiary company, Objectway Limited (formerly known as 3i Infotech (Western Europe) Limited), operated a defined contributions pension scheme during the period. The total pension contributions during the period amounted to £715,690. Contributions totaling £58,703 were due to be paid as at the period end.

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

24. OPERATING LEASE COMMITMENTS

At 30 June 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2015 £
Group	
Expiry date:	
Within 1 year	133,756
Between 2 and 5 years	60,500
After more than 5 years	43,836

25. RELATED PARTY TRANSACTIONS

On 23 December 2014 Objectway Limited (formerly known as 3i Infotech (Western Europe) Limited) and Objectway Flagship Limited (formerly known as 3i Infotech (Flagship - UK) Limited) were purchased for a consideration of £8,040,604 plus costs. Objectway Limited became a wholly owned subsidiary of this Company and Objectway Flagship Limited remained a 100% subsidiary of Objectway Limited.

As the Company is a parent company with a wholly owned subsidiary (Objectway Limited), it has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with Objectway Limited, and its wholly owned subsidiary Objectway Flagship Limited.

As at 30 June 2015 the Company owed £997,815 to Objectway Limited.

The Company's immediate parent company throughout the period was Objectway Financial Software S.p.A. During the period, the Company received loan finance from its parent company and as at 30 June 2015 owed £8,316,076. Interest has been charged on this balance at a rate of 4% totalling £168,762.

26. CONTROLLING PARTY

The largest group in which the results of the Company are consolidated is that headed by Objectway Financial Software S.p.A, incorporated in Italy. The consolidated accounts of their largest group are available to the public and may be obtained from www.italchamind.eu. The smallest group in which the financial statements of the Company are consolidated is that headed by Objectway Group UK Limited.

The ultimate controlling party is L Marciano by virtue of owning 69.09% of the share capital of Objectway Financial Software S.p.A.

OBJECTWAY GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

27. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
Objectway Limited (formerly 3i Infotech (Western Europe) Limited)	UK	100	Provides software services to the international banking and securities markets
Objectway Flagship Limited (formerly 3i Infotech (Flagship - UK) Limited)	UK	100	Provides products and services to the Financial Services Industry in the UK

Objectway Flagship Limited (formerly 3i Infotech (Flagship - UK) Limited) is a 100% subsidiary of Objectway Limited (formerly 3i Infotech (Western Europe) Limited).