

Company Registration No. 01239144 (England and Wales)

INTERNATIONAL DECISION SYSTEMS LIMITED

**ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017**

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BELFAST
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INTERNATIONAL DECISION SYSTEMS LIMITED

COMPANY INFORMATION

Directors	Mr P N Cole Mr N E Somers
Secretary	Pennsec Limited
Company number	01239144
Registered office	8 Devonshire House Aviary Court Basingstoke Hampshire RG24 8PE
Independent auditors	PricewaterhouseCoopers LLP Waterfront Plaza 8 Laganbank Rd Belfast BT1 3LR UK

INTERNATIONAL DECISION SYSTEMS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

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

Principal activities

The company is a wholly owned subsidiary of IDS Group Ltd and operates as part of the group's European division.

The principal activity of the company continued to be that of the provision of computer software and related services to the equipment finance industry and the operating of bureau services for the processing of clients' data.

Directors

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

Mr P N Cole

Mr N E Somers

Mr J M Powers (appointment ceased 20 April 2017)

Future developments

The directors believe that the company will continue to trade on a similar basis going forward, as the majority of revenue is derived from long established contracts already in place. The US parent group is trading profitably and is cash flow positive. The company reported a loss in 2017 primarily due charges related to the restructuring of the company. The company expects to trade profitably in 2018.

Independent auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and in accordance with Section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at the Annual General Meeting.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors 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 company's auditors are aware of that information.

The report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

On behalf of the board


.....
Mr P N Cole
Director

.....
31 August 2018
.....

INTERNATIONAL DECISION SYSTEMS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board


.....
Mr P N Cole
Director

31 August 2018
.....

INTERNATIONAL DECISION SYSTEMS LIMITED

Independent auditors' report to the members of International Decision Systems Limited

Report on the audit of the financial statements

Opinion

In our opinion, International Decision Systems Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2017; the income statement and retained earnings; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement

INTERNATIONAL DECISION SYSTEMS LIMITED

Independent auditors' report to the members of International Decision Systems Limited (continued)

of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

INTERNATIONAL DECISION SYSTEMS LIMITED

Independent auditors' report to the members of International Decision Systems Limited (continued)

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Orla MacAllister

Orla MacAllister (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Belfast
31st August 2018

INTERNATIONAL DECISION SYSTEMS LIMITED

INCOME STATEMENT AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Turnover		1,616,124	2,802,173
Administrative expenses		(1,724,799)	(2,432,609)
Other operating income		-	185,729
Operating (loss)/profit	2	(108,675)	555,293
Interest payable and similar charges		-	(1,989)
(Loss)/Profit on ordinary activities before taxation		(108,675)	553,304
Tax on (loss)/profit on ordinary activities		(5,123)	(21,105)
(Loss)/Profit for the financial year	16	(113,798)	532,199
Total comprehensive (expense)/income for the year		(113,798)	532,199
Accumulated loss at 1 January		(83,045,706)	(83,577,905)
Accumulated loss at 31 December		<u>(83,159,504)</u>	<u>(83,045,706)</u>

INTERNATIONAL DECISION SYSTEMS LIMITED

STATEMENT OF FINANCIAL POSITION Company Registration No. 01239144 (England And Wales) AS AT 31 DECEMBER 2017

		2017		2016	
	Note	£	£	£	£
Fixed assets					
Tangible assets	5		30,362		33,978
Investments	6		-		-
			<u>30,362</u>		<u>33,978</u>
Current assets					
Debtors	8	11,211,331		11,088,238	
Cash at bank and in hand		<u>120,804</u>		<u>305,479</u>	
		11,332,135		11,393,717	
Creditors: amounts falling due within one year	9	<u>(1,245,062)</u>		<u>(1,131,874)</u>	
Net current assets			<u>10,087,073</u>		<u>10,261,843</u>
Total assets less current liabilities			<u>10,117,434</u>		<u>10,295,821</u>
Creditors: amounts falling due after more than one year	10		(360,000)		(360,000)
Provisions for liabilities	11		-		(64,589)
Net assets			<u><u>9,757,434</u></u>		<u><u>9,871,232</u></u>
Capital and reserves					
Called up share capital	13		90,212,017		90,212,017
Share premium account	12		2,702,700		2,702,700
Other reserves	14		2,221		2,221
Profit and loss reserves	16		<u>(83,159,504)</u>		<u>(83,045,706)</u>
Total equity			<u><u>9,757,434</u></u>		<u><u>9,871,232</u></u>

The notes on pages 8 to 18 form an integral part of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 31 August 2018 and are signed on its behalf by:


.....
Mr P N Cole
Director

INTERNATIONAL DECISION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

International Decision Systems Limited is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is 8 Devonshire House, Aviary Court, Basingstoke, Hampshire RG24 8PE.

The company's principal activities are the provision of computer software and related services to the equipment finance industry and the operating of bureau services for the processing of client's data.

Basis of preparation and statement of compliance

These financial statements have been prepared on a going concern basis and under the historical cost convention in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) as applied to smaller entities by the adoption of Section 1A of FRS102 and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime.

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 whole £1, unless otherwise indicated.

The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The principal accounting policies adopted are set out below and have been applied consistently, other than where new policies have been adopted.

Going concern

The company provides sales and services to its customers, having fast response times not only in supplying products but in handling all customer queries, and by maintaining strong relationships with customers.

The outlook is satisfactory as the majority of turnover is derived from long-established contracts already in place. The US parent group is trading profitably and is cash flow positive. The company reported a loss in 2017 primarily due to charges related to the restructuring of the company. The company expects to trade profitably in 2018.

As discussed above the directors consider the prospects for 2018 to be satisfactory. A written letter of support from the parent company has been supplied covering the next 12 months. For these reasons, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for software licences and services provided in the normal course of business, net of discounts, VAT and other sales related taxes. Materially all turnover originates in the UK.

Sale of services

Subscription based pricing turnover is recognised rateably over the subscription period for these types of arrangements.

Maintenance revenues are deferred and recognised rateably over the maintenance period. Turnover from training enhancement and consultancy services is recognised as such services are performed.

INTERNATIONAL DECISION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (Continued)

Turnover from services provided under computer bureau type arrangements, where invoicing is normally monthly, is typically recognised as such services are performed.

Other operating income

Rent receivable on sub-lease of properties

Rental income from operating leases represents amounts payable by sub-tenants in properties leased by the company and is recognised on a straight line basis over the term of the relevant lease.

Tangible assets

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

Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	11.0% - 33.3% straight line
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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 credited or charged to profit or loss.

Investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and held at call with banks.

Financial instruments

The company 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.

(i) Financial assets

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

INTERNATIONAL DECISION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (Continued)

Basic financial assets, which include trade and other receivables, amounts owed by group entities, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, amounts owed to group entities 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.

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

Preference shares

Preference shares, which result in fixed returns to the holder or are mandatorily redeemable on a specific date, are classified as liabilities. No provision has been made for the unpaid dividends in the accounts as these shares are all owned by the company's immediate parent company who have waived all rights to dividends.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Taxation

The tax expense for the period represents the sum of the current tax expense and deferred tax expense recognised in the period. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is the amount of tax payable based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

INTERNATIONAL DECISION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (Continued)

Taxation (continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

For defined contribution schemes, the amounts charged to profit or loss are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

Related parties

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

INTERNATIONAL DECISION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

2 Operating (loss)/profit	2017	2016
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditors for the audit of the company's financial statements	29,874	28,950
Depreciation of tangible assets	25,257	25,469
Operating lease charges	10,245	231,520
Rent receivable	-	(185,729)

3 Employees

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

	2017	2016
	Number	Number
Total	<u>11</u>	<u>17</u>

4 Directors' remuneration

	2017	2016
	£	£
Remuneration for qualifying services	148,702	188,777
Company Pension Contribution	886	1,888
	<u>149,588</u>	<u>190,665</u>

Only one director (2016:one) is remunerated by International Decision Systems Limited.

INTERNATIONAL DECISION SYSTEMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

5 Tangible assets

	Fixtures and fittings
	£
Cost	
At 1 January 2016	214,865
Additions	12,276
Disposals	(60,588)
At 31 December 2016	<u>166,553</u>
Accumulated depreciation and impairment	
At 1 January 2016	167,695
Depreciation charged in the year	25,469
Eliminated in respect of disposals	(60,588)
At 31 December 2016	<u>132,575</u>
Carrying amount	
At 31 December 2016	<u>33,978</u>
Cost	
At 1 January 2017	166,553
Additions	33,366
Disposals	(65,668)
At 31 December 2017	<u>134,251</u>
Accumulated depreciation and impairment	
At 1 January 2017	132,575
Depreciation charged in the year	25,257
Eliminated in respect of disposals	(53,943)
At 31 December 2017	<u>103,889</u>
Carrying amount	
At 31 December 2017	<u>30,362</u>

INTERNATIONAL DECISION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

6 Investments

	2017 £	2016 £
Investments in subsidiaries	-	-
Movements in investments		
		Shares £
Cost		
At 1 January 2017 & 31 December 2017		1
Impairment		
At 1 January 2017 & 31 December 2017		1
Carrying amount		
At 31 December 2017		-
At 31 December 2016		-

7 Related undertakings

These financial statements are separate company financial statements for International Decision Systems Limited.

Details of the company's related undertakings at 31 December 2017 are as follows:

Name of undertaking	Country of incorporation or residency	Class of shareholding	% Held	
			Direct	Indirect
Decisions Systems Europe Limited	England & Wales	Ordinary	100.00	-
David Henley Systems Limited	England & Wales	Ordinary	100.00	-

The aggregate capital and reserves and the result for the year of related undertakings excluded from consolidation was as follows:

Name of undertaking	Nature of business	Result	Capital and Reserves
		£	£
Decision Systems Europe Limited	Dormant	-	(84,791)
David Henley Systems Limited	Dormant	-	62,077

The registered address of all related undertakings is 8 Devonshire House, Aviary Court, Basingstoke, Hampshire, RG24 8PE

INTERNATIONAL DECISION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

8 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	554,916	328,008
Amounts due from group entities	10,571,856	10,670,104
Other debtors	21,858	68,144
	<u>11,148,630</u>	<u>11,066,256</u>
Deferred tax asset	16,981	21,982
	<u>11,165,611</u>	<u>11,088,238</u>

The deferred tax asset of £16,981 (2016: £21,982) in respect of capital allowances and other short term timing differences has been recognised on the basis that the accelerated depreciation will be utilised fully in the next two years.

Amounts due from group entities are interest free and repayable on demand.

9 Creditors: Amounts falling due within one year:

	2017	2016
	£	£
Trade creditors	22,821	9,459
Amounts owed to group undertakings	676,841	652,172
Taxation and social security (including Tax Charge)	87,102	157,749
Other creditors	412,578	312,494
	<u>1,199,342</u>	<u>1,131,874</u>

Amounts owed to group undertakings are interest free and repayable on demand.

10 Creditors: Amounts falling due after more than one year

	2017	2016
	£	£
Other creditors	<u>360,000</u>	<u>360,000</u>

INTERNATIONAL DECISION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

11 Provisions for liabilities

	2017	2016
	£	£
Dilapidations	-	64,589
	<u>-</u>	<u>64,589</u>

12 Share premium account

	2017	2016
	£	£
At beginning and end of year	<u>2,702,700</u>	<u>2,702,700</u>

Consideration received for shares issued above their nominal value net of transaction costs.

13 Called Up Share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
3,513 (2016: 3,513) 'A' Ordinary shares of £1 each	3,513	3,513
2,000,001 (2016: 2,000,001) Ordinary shares of £1 each	2,000,001	2,000,001
8,820,850,300 (2016: 8,820,300) Preference shares at 1p each	88,208,503	88,208,503
	<u>90,212,017</u>	<u>90,212,017</u>

'A' Ordinary shares have full voting, dividend and capital distribution rights. They do not confer any rights of redemption. 'A' Ordinary shareholders are entitled to appoint a non-executive director, subject to the approval of the company.

Ordinary shares have full voting, dividend and capital distribution rights. They do not confer any rights of redemption.

On a return of capital on a winding-up of the company, the preference shareholders have a right to receive, in preference to any payments to any other shareholders, the amounts paid up on the preference shares held by them plus any accrued dividend.

INTERNATIONAL DECISION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

14 Other reserves

	2017 £	2016 £
At the beginning and end of year	<u>2,221</u>	<u>2,221</u>

Other reserves represent reserves provided for by the Articles of Association.

15 Financial commitments, guarantees and contingent liabilities

The company's parent IDS Group Inc. and International Decision Systems Inc. entered into a credit agreement with a lending syndicate led by Goldman Sachs' Speciality Lending Group, LP, on 31 December 2012, which has been amended three times, under which the company's and its fellow group companies' copyrights, intellectual property and shares with certain limitations are pledged as security against the outstanding indebtedness.

16 Profit and loss reserves

	2017 £	2016 £
At beginning of year	(83,045,706)	(83,577,905)
(Loss)/profit for the financial year	(113,798)	532,199
At end of year	<u>(83,159,504)</u>	<u>(83,045,706)</u>

Reserves of the company represent the following:

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

17 Parent company

The company's immediate parent company is IDS Group Limited, a company incorporated in England and Wales.

The company's ultimate controlling party is Nicollet LLC, a Delaware limited liability company.

IDS Group Inc. is the only holding company for which group financial statements are prepared and of which the company is a member.

INTERNATIONAL DECISION SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

18 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company for certain of its leased properties.

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

	2017	2016
	£	£
Within one year	3,850	26,388
	<u>3,850</u>	<u>26,388</u>

19 Related party transactions

The company has taken advantage of the exemption available in FRS 102 paragraph 33.1A, whereby it has not disclosed transactions with the ultimate parent company, or any wholly owned subsidiary undertaking of the group.

20 Post Balance Sheet Events

The Company has evaluated post balance sheet events through August 31, 2018 and there were no items for disclosure.