


# EMR Search & Selection Limited

Directors' report and financial statements  
for the year ended 31 December 2015

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# Strategic Report

for the year ended 31 December 2015

The Directors present their strategic report of the Company for the year ended 31 December 2015

## Principal activity

The Company's principal activity is the recruitment of people in marketing. The Company is involved in the placement of both contract and permanent staff primarily in the UK.

## Business review

The Company is a wholly owned subsidiary of FiveTen Group Holdings Limited ('the Group') whose Directors manage the entire group including EMR Search & Selection Limited.

The Company's profit after tax for the financial year amounted to £277,000 (2014: £833,000). Net assets at 31 December 2015 were £5,342,000 (2014: £5,065,000).

## Principal risks

The principal risk to the Company's performance is the impact of cyclically lower demand for recruitment services. The Directors closely monitor trends in KPIs and are continuing to take appropriate actions in response to changing market conditions.

## Going concern

The Group's intentions over the next twelve months are to continuously support EMR Search & Selection Limited and report as a going concern. The immediate parent company is FiveTen Acquisition Limited.

By order of the board



**Mark Carriban**  
Director

Cromwell House  
14 Fulwood Place  
London, WC1V 6HZ  
30 June 2016

# **Directors' Report**

## **for the year ended 31 December 2015**

The Directors present their annual report of the Company for the year ended 31 December 2015

### **Going concern**

Please refer to the strategic report for details of going concern

### **Dividends**

The Directors do not recommend the payment of a dividend (2014 nil)

### **Political contributions**

There were no political contributions made in the year (2014 nil)

### **Research and development activities**

The Company has no research and development activities

### **Directors**

The Directors who held office during the year were as follows

Mark Carriban	
Phil Dennis	(resigned 02/10/15)
Michael Joyce	(appointed 04/01/16)
Tim Kidd	(resigned 31/01/16)
Simon Bassett	(resigned 30/08/15)

### **Directors' indemnities**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Group also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

### **Financial instruments**

With the exception of the Company bank balance and overdraft, the Company has no material financial instruments. The Company's financing is managed by FiveTen Group Holdings Limited and details of this Company and the group's financial instruments can be found in the financial statements of FiveTen Group Holdings Limited.

### **Directors' responsibility for the financial statements**

The Directors are responsible for preparing the Strategic Report, Directors' Report and the group and parent Company financial statements (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 prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

# Directors' Report

for the year ended 31 December 2015 continued

## Directors' responsibility for the financial statements *continued*

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 the Company and of the profit or loss of the group and Company for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements,
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements, 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 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.

By order of the board



**Mark Carriban**  
Director

Cromwell House  
14 Fulwood Place  
London, WC1V 6HZ  
30 June 2016

# Profit and Loss Account

for the year 31 December 2015

	Note	2015 £'000	2014 £'000
Turnover	5	5,633	7,153
Cost of sales		(2,516)	(3,000)
Gross profit		3,117	4,153
Administrative expenses excluding amortisation, exceptional items	6	(2,718)	(3,006)
Operating profit before exceptional items		399	1,147
Exceptional administrative expenses	6	-	(34)
Profit on ordinary activities before interest and taxation		399	1,113
Interest payable and similar charges	10	(27)	(33)
Profit on ordinary activities before taxation		372	1,080
Tax on profit on ordinary activities	11	(95)	(247)
Profit for the financial year	18	277	833

The above results relate to the continuing operations of the Company

There are no recognised gains and losses other than for the loss for the year shown above therefore no separate statement of Comprehensive Income has been presented

There are no material differences between the profit on ordinary activities after taxation and the retained profits for the year stated above and their historical equivalents

# Balance Sheet

as at 31 December 2015


	Note	2015 £'000	2014 £'000
<b>Fixed assets</b>			
Tangible assets	12	3	3
		3	3
<b>Current assets</b>			
Debtors	13	6,614	6,732
Cash at bank and in hand		33	4
		6,647	6,736
<b>Creditors - amounts falling due within one year</b>	14	(1,308)	(1,674)
<b>Net current assets</b>		5,339	5,062
<b>Total assets less current liabilities</b>		5,342	5,065
<b>Net assets</b>		5,342	5,065
<b>Capital and reserves</b>			
Called-up share capital	16	-	-
Treasury reserve	17	453	453
Retained earnings	17	4,889	4,612
<b>Total Equity</b>	18	5,342	5,065

The Directors are satisfied that the Company is entitled to exemption from the requirement to obtain an audit under section 479A of the Companies Act 2006 relating to subsidiary companies

The members have not required the Company to obtain an audit in accordance with section 476 of the Act

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts

The financial statements on pages 4 to 16 were approved by the board of Directors on 30 June 2016 and were signed on its behalf by

  
Michael Joyce  
Director

# Notes to the Financial Statements

for the year ended 31 December 2015

## 1. General information

EMR Search & Selection Limited ('the Company') is a trading company within a group of companies which provides specialist recruitment services into the accounting and finance, banking, marketing and legal sectors, in the UK, Ireland, Continental Europe, Russia, Kazakhstan, the Middle East, the USA, Brazil and India

The Company is a private company limited by shares and is incorporated in England. The address of its registered office is Cromwell House, 14 Fulwood Place, London WC1V 6HZ

## 2. Statement of compliance

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Details of the transition to FRS 102 are disclosed in note 22

## 3. Statement of significant accounting policies

### Basis of preparation

The consolidated and separate financial statements are prepared on a going concern basis, under the historical cost convention

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies

### Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders

the period that employees become unconditionally entitled to the shares/options

The Company has taken advantage of the following exemptions

- (i) from preparing a statement of cash flows under FRS 102 paragraph 112(b), on the basis that it is a qualifying entity and its ultimate parent company, FiveTen Group Holdings Limited, includes the company's cash flows in its own consolidated financial statements,
- (ii) from preparing consolidated financial statements, on the basis that its ultimate parent, FiveTen Group Holdings Limited and it is included in the consolidated financial statements exempt by section 400 of the Companies Act 2006
- (iii) from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7

### Going concern

The Group's intentions over the next twelve months are to continuously support EMR Search & Selection Limited and report as a going concern. The immediate parent company is FiveTen Acquisition Limited

### Revenue recognition

Revenue is measured at fair value of the consideration received or receivable and represents the amount receivable for services rendered (representing contract revenue and permanent placement fees), net of returns, discounts and rebates allowed by the Group and value added taxes

Contract revenue is recognised based on the number of contractor hours worked multiplied by the agreed hourly rate. Revenue not invoiced by the end of the period is accrued within debtors

Fees for permanent placements are agreed in advance with the customer, with revenue being recognised when the offer from the customer is accepted by candidate, and is net of back-out provisions where applicable

### Exceptional items

Items of income and expense that are material by size and/or nature and are non-recurring are classified as exceptional items in the consolidated profit and loss account within their relevant category



# Notes to the Financial Statements

for the year ended 31 December 2015 continued

## 3. Statement of significant accounting policies *continued*

### Tangible fixed assets and depreciation

The cost of tangible fixed assets is their purchase cost, together with any costs of acquisition. Depreciation is provided on a straight line basis to write off the cost less estimated residual value of tangible fixed assets in equal instalments over their estimated useful lives using the following annual rates

Leasehold improvements – the shorter of the period of the lease or 10 years

Office equipment – 20%

Fixtures and fittings – 20%

Motor vehicles - 25%

Software - 33%

### Impairment of goodwill and tangible assets

Acquired goodwill amortised over 10 years or less is tested for impairment at the end of the first full financial year following its acquisition

Other than following the first year post-acquisition, impairment testing of goodwill and tangible fixed assets is only performed when events or changes in circumstances indicate that carrying values of these assets may not be recoverable

### Leases

#### (i) Operating leases assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease

#### (ii) Lease incentives

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease

The Group has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 and continues to credit such lease incentives to the profit and loss account over the period to the first review date on which the rent is adjusted to market rates

The Group has no significant leases of a capital nature

### Debtors

Trade and other debtors are recorded at cost less allowances for estimated irrecoverable amounts

### Cash and cash equivalents

Cash, for the purposes of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand

Certain Group entities have in place a confidential invoice discounting facility where the counterparty has full recourse to all monies advanced against book debts

### Creditors

Trade and other creditors are recorded at cost

### Financial instruments

The Company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments

#### (i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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

# Notes to the Financial Statements

## for the year ended 31 December 2015 continued

### 3. Statement of significant accounting policies *continued*

#### Financial instruments *continued*

If there is 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. 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.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

#### (ii) Financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest.

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

Derivates, including interest rate swaps and foreign exchange contracts, are not basic financial instruments.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### (iii) Offsetting

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.

#### Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

#### (i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

# Notes to the Financial Statements

## for the year ended 31 December 2015 continued

### 3. Statement of significant accounting policies *continued*

#### **Taxation** *continued*

##### *(iii) Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as statement in the financial statements. These timing differences arise from the inclusion of income and expenses in the tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

#### **Foreign currencies**

##### *(i) Functional and presentation currency*

The Company's functional and presentation currency is the pound sterling and rounded to thousands.

##### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the date of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance (expense)/income'. All other foreign gains and losses are presented in the profit and loss account within 'Other operating (losses)/gains'.

##### *(iii) Translation*

The trading results of branch undertakings are translated into sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings are translated at the exchange rates ruling at the year end. Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in 'Other comprehensive income'.

#### **Employee benefits**

The Group provides a range of benefits to employees, including annual leave bonus arrangements, paid holiday arrangements and defined contribution pension plans.

##### *(i) Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

##### *(ii) Share-based payments*

Where shares or options are issued to employees with service conditions attached, they are accounted for in accordance with FRS 102 section 26 – share based payments. The fair value of the share or option issued is recognised as an employee expense with a corresponding increase in equity or liabilities depending on whether the arrangement is expected to be settled in equity or in cash.

The fair value is measured at issue/grant date and spread over the period that employees become unconditionally entitled to the shares/options. Cash-settled share-based payment awards are revalued at each reporting date.

The fair value is measured at issue/grant date and spread over the period that employees become unconditionally entitled to the shares/options. Cash-settled share-based payment awards are revalued at each reporting date.

The expense is recognised as a cost of staff employment. The amount recognised as an expense is adjusted to reflect the actual number of shares/options that become unconditionally available to employees, taking into account expected staff leavers.

# Notes to the Financial Statements

for the year ended 31 December 2015 continued

## 3. Statement of significant accounting policies *continued*

### Employee benefits *continued*

#### *(iv) Defined contribution pension plans*

All UK Group entities operate approved stakeholder pension schemes. In addition UK permanent employees of UK entities can participate in a pension salary sacrifice scheme whereby the UK entities contribute to the employees' personal pensions the amount of salary that the employees have sacrificed plus a share of the employers' national insurance savings. There are no other pension arrangements within the Group.

All UK based employees are also auto enrolled into a scheme under Part 1 of the Pensions Act 2008 whereby the employer and employee currently contribute 1%.

## 4. Critical accounting judgements and estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are none within these accounts.

# Notes to the Financial Statements

for the year ended 31 December 2015 continued

## 5. Turnover

Turnover is wholly attributable to the principal activity of the Company, being the recruitment of staff into permanent and temporary positions within the marketing sector. Turnover is wholly generated within the United Kingdom.

## 6. Operating profit

	2015 £'000	2014 £'000
Wages and Salaries	1,800	1,979
Social security costs	209	226
Other pension costs (including directors)	12	20
Share based payments	(25)	(1)
<b>Total Staff costs</b>	<b>1,996</b>	<b>2,224</b>
Exceptional costs - restructuring	-	34
Impairment of trade receivables	32	-
Depreciation on tangible fixed assets - owned	3	6
Auditors' remuneration - audit services	11	10
Operating leases charges	163	199
Foreign exchange (gains) / losses	(11)	6

The operating lease charges include costs that were recharged by a subsidiary company.

The Company is exempt from the requirements to obtain an audit. Auditors' remuneration represents an allocation of the cost of the Group's audit.

## 7. Directors' emoluments

	2015 £'000	2014 £'000
Fees and emoluments for management services	152	156

The emoluments of the highest paid Director amount to £152,000 (2014: £156,000).

The emoluments of Directors not included above are paid by a parent company which makes no recharge to the Company.

## 8. Employees

The average weekly number of persons (including Directors) employed by the Company during the year was:

	2014 Number	2014 Number
By activity		
Sales	30	34
Administration	6	6
	<b>36</b>	<b>40</b>

# Notes to the Financial Statements

for the year ended 31 December 2015 continued

## 9. Share-based payments

During the year ended 31 December 2015, no employees were issued with B shares in the ultimate parent company FiveTen Group Holdings Limited (2014: nil). The weighted average fair value of each B share issued was £0.01 which was also the price paid by the employees for the shares. Certain employees held C ordinary shares in a parent company, FiveTen Group Limited, issued in previous years.

The Articles of Association of FiveTen Group Limited and FiveTen Group Holdings Limited contain 'lock-in' clauses that require the employee shareholders to remain in employment until a change in control of the Group in order to gain access to the full fair value in the share. Should they leave prior to this date, the Group has a stated policy of repurchasing the shares of leavers. Accordingly, the share-based payment arrangement will be cash-settled in respect of leavers and equity-settled in respect of shares that fully vest. At this time the Group expects all shares giving rise to a FRS 102 section 26 charge to vest in full and hence be equity settled and therefore, in accordance with UITF 44, the Company has reflected this charge in its financial statements.

The credit for the year is £25,000 (2014 credit: £1,000), but has not been debited to equity as FiveTen Group Limited has imposed a cash inter-company charge equal to the FRS 102 section 26 expense and hence the credit has been reflected in amounts owed to FiveTen Group Limited.

## 10. Interest payable and similar charges

	2015 £'000	2014 £'000
Bank loans, overdrafts and invoice discounting	27	33

## 11. Tax on profit on ordinary activities

(a) Analysis of charge for the year

The tax charge based on the profit for the year comprises

	2015 £'000	2014 £'000
Current tax		
UK corporation tax on profits of the year	92	251
Adjustments in respect of previous years	3	(5)
Total current tax	95	246
Deferred tax		
Origination and reversal of timing differences	-	(1)
Adjustments in respect of previous periods	-	2
Total deferred tax	-	1
<b>Tax on profit on ordinary activities</b>	<b>95</b>	<b>247</b>

# Notes to the Financial Statements

for the year ended 31 December 2015 continued

## 11. Tax on profit on ordinary activities *continued*

(b) The tax assessed for the year is higher (2014 higher) than the standard effective rate of corporation tax in the UK for the year ended 31 December 2015 of 20.25% (2014 21.5%). The differences are explained below

	2015 £'000	2014 £'000
Profit on ordinary activities before taxation	371	1,080
Tax on ordinary activities at 20.25% (2014 21.5%)	75	232
Effects of		
Accelerated capital allowances	-	1
Adjustments in respect of previous years	3	(5)
Other permanent differences	17	18
Current tax charge for the year	95	246

## 12. Tangible fixed assets

	Leasehold improvements £'000	Office equipment £'000	Fixtures & fittings £'000	Computer Software database and web £'000	Total £'000
<b>Cost</b>					
At 1 January 2015	227	37	10	1	275
Additions	-	3	-	-	3
Foreign exchange	-	(1)	1	-	-
<b>At 31 December 2015</b>	<b>227</b>	<b>39</b>	<b>11</b>	<b>1</b>	<b>278</b>
<b>Accumulated depreciation</b>					
At 1 January 2015	227	36	8	1	272
Charge for the year	-	1	2	-	3
Foreign exchange	(0)	(1)	0	-	(1)
<b>At 31 December 2015</b>	<b>227</b>	<b>36</b>	<b>10</b>	<b>1</b>	<b>274</b>
<b>Net book value</b>					
<b>At 31 December 2015</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>-</b>	<b>4</b>
At 31 December 2014	-	1	2	-	3

# Notes to the Financial Statements

for the year ended 31 December 2015 continued

## 13. Debtors

	2015 £'000	2014 £'000
<b>Amounts falling due within one year</b>		
Trade debtors	458	1,025
Prepayments and accrued income	565	599
Amounts owed by subsidiary undertakings	5,538	5,059
Other debtors	53	49
	<b>6,614</b>	<b>6,732</b>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand

## 14. Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Bank overdrafts	395	539
Trade creditors	58	14
Accruals and deferred income	209	195
Other creditors	400	551
Corporation tax debtor	92	251
Amounts owed to group undertakings	154	124
	<b>1,308</b>	<b>1,674</b>

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

The bank and other borrowing facilities of EMR Search & Selection Limited were secured by a fixed and floating charge over certain of the assets of the Company and of the group headed by FiveTen Group Holdings Limited. Please refer to Note 21 'Contingent liabilities' for further details.

Further details of the group's financing arrangements are set out in the accounts of FiveTen Group Holdings Limited.

## 15. Deferred taxation

The deferred tax asset comprises

	2015 £'000	2014 £'000
Opening balance deferred tax asset	50	51
Origination and reversal of timing differences	-	1
Adjustment in respect of previous periods	-	(2)
Closing balance deferred tax asset	<b>50</b>	<b>50</b>



# Notes to the Financial Statements

for the year ended 31 December 2015 continued

## 16. Called up share capital

	2015 £	2014 £
<b>Authorised</b>		
10,000,000 (2014 10,000,000) ordinary shares of 1p each	100,000	100,000
<b>Allotted, called up and fully paid</b>		
11,650 (2014 11,650) ordinary shares of 1p each	117	117

### Rights Attaching to the Shares: Dividend Rights, Capital & Voting

The Company will distribute profits to shareholders in respect of their holdings pari passu and pro rata to the number of shares held by each of them

On the return of assets, on a reduction of share capital or otherwise, the surplus assets shall be distributed amongst the shareholders according to the amount paid up for each share

Each shareholder of the Company is entitled to receive notice, attend and vote at general meetings of the Company. On a show of hands every member shall have one vote and on a poll every member shall have one vote for every share held

## 17. Reserves

	Share premium £'000	Profit and loss £'000
Balance at 1 January 2015	453	4,612
Profit for the financial year	-	277
<b>Balance at 31 December 2015</b>	<b>453</b>	<b>4,889</b>

## 18. Reconciliation of movements in shareholders' funds

	2015 £'000	2014 £'000
Profit for the financial year	277	833
Net movement in shareholders' funds	277	833
Opening shareholders' funds	5,065	4,232
<b>Closing shareholders' funds</b>	<b>5,342</b>	<b>5,065</b>

# Notes to the Financial Statements

for the year ended 31 December 2015 continued

## 19. Financial commitments

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods

	2015		2014	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Operating leases which expire				
Expiring within one year	3	-	33	-
Expiring in one to two years	-	-	3	-
	3	-	36	-

## 20. Ultimate and immediate parent and controlling parties

At year end, the Directors considered FiveTen Acquisition Limited to be the immediate parent undertaking and FiveTen Group Holdings Limited to be the ultimate parent undertaking and controlling company

FiveTen Group Holdings Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2015. Copies of the consolidated financial statements of FiveTen Group Holdings Limited can be obtained from the Company's registered office at Cromwell House, 14 Fulwood Place, London WC1V 6HZ

The majority shareholders of FiveTen Group Holdings Limited are funds controlled by Bregal Capital LLP and accordingly the Directors consider Bregal Capital LLP to be the ultimate controlling party

## 21. Contingent liabilities

The company has provided a guarantee to ABN Amro as part of the FiveTen Group Holdings Group financing arrangements and is subject to covenant compliance, security charges, and cross guarantees under the ABN AMRO facilities agreement

## 22. Transition to FRS 102

This is the first year that the Company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. There were no changes in accounting policies which require reconciliation of the profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between UK GAAP as previously reported and FRS 102