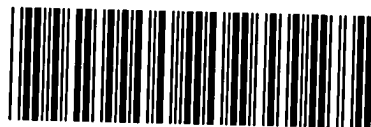


OPTIONS GROUP (UK) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR

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OPTIONS GROUP (UK) LIMITED

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OPTIONS GROUP (UK) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3		20,257		24,708
Current assets					
Debtors	4	2,403,522		3,602,404	
Cash at bank and in hand		752,407		280,353	
		3,155,929		3,882,757	
Creditors: amounts falling due within one year	5	(1,793,439)		(2,616,758)	
Net current assets			1,362,490		1,265,999
Total assets less current liabilities			1,382,747		1,290,707
Provisions for liabilities			(3,508)		(4,279)
Net assets			1,379,239		1,286,428
Capital and reserves					
Called up share capital	7		1,000		1,000
Profit and loss reserves			1,378,239		1,285,428
Total equity			1,379,239		1,286,428

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered 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 23 September 2019 and are signed on its behalf by:


Mr D Korn
Director

Company Registration No. 03721341

OPTIONS GROUP (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

OPTIONS GROUP (UK) LIMITED is a private company limited by shares incorporated in England and Wales. The registered office is 34 Queensbury Station Parade, Edgware, Middlesex, HA8 5NN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. 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 financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover represents amounts receivable from the placement of key individuals, primarily in the banking sector of the market, net of VAT.

1.3 Tangible fixed assets

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

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

Plant and machinery	- 25% p.a. on a reducing balance basis
Fixtures, fittings & equipment	- 25% p.a. on a reducing balance basis
Computer equipment	- 50% p.a. on a straight line basis

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.

1.4 Impairment of fixed assets

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

OPTIONS GROUP (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

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

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

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

1.5 Cash and cash equivalents

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

1.6 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.

Financial instruments are recognised in the company's balance sheet 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.

Basic financial assets

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

Classification of financial liabilities

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

OPTIONS GROUP (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

1.7 Equity instruments

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

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

OPTIONS GROUP (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.9 Employee benefits

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

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

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

1.10 Retirement benefits

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

1.11 Foreign exchange

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

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 32 (2017 - 34).

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2018	247,732
Additions	4,810
	<hr/>
At 31 December 2018	252,542
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Depreciation and impairment	
At 1 January 2018	223,024
Depreciation charged in the year	9,261
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At 31 December 2018	232,285
	<hr/>
Carrying amount	
At 31 December 2018	20,257
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At 31 December 2017	24,708
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OPTIONS GROUP (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

4 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	327,838	317,793
Corporation tax recoverable	234,505	114,014
Amounts owed by group undertakings	1,774,843	3,081,040
Other debtors	66,336	89,557
	<u>2,403,522</u>	<u>3,602,404</u>

5 Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	-	15
Trade creditors	144,344	283,914
Amounts owed to group undertakings	-	1,412,715
Corporation tax	78,577	-
Other taxation and social security	946,625	476,879
Other creditors	623,893	443,235
	<u>1,793,439</u>	<u>2,616,758</u>

6 Loans and overdrafts

	2018	2017
	£	£
Bank overdrafts	-	15
	<u>-</u>	<u>15</u>
Payable within one year	-	15
	<u>-</u>	<u>15</u>

The bank overdraft is secured by debenture over the assets of the company.

7 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

OPTIONS GROUP (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Yashlal Hindocha BA,FCA.

The auditor was Hindocha & Co Limited.

9 Operating lease commitments

Operating lease payments represent rentals, service charges and utilities payable by the company for certain of its properties. Leases are negotiated for an average term of 10 years and rentals are fixed for an average of 10 years.

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

	2018 £	2017 £
Rent and service charges	762,300	901,702

OPTIONS GROUP (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

10 Related party transactions

During the year a fellow subsidiary company, The Options Group, Inc has charged £269,606 (2017 - £165,423) as management charges. At the end of the year, parent company, Options Group International LLC has reassigned all fellow subsidiary companies balances from Options Group (UK) Limited to parent company. At the year end Options Group International LLC owed £1,774,843 (2017 - owed by Options Group (UK) Ltd £274,759) to Options Group (UK) Limited.

Transactions with fellow subsidiary companies were mainly due to intercompany sales invoices and advances received or payments made to them. All the transactions were conducted on normal trading basis.

At the balance sheet date, included within debtors, the amount receivable from its fellow subsidiary companies were as follows:

Options Group Strategic Consulting (India) Pvt. Ltd - £nil (2017 - £120,495)
The Options Group, Inc - £nil (2017 - £2,768,881)
The Options Group (Hong Kong) Limited - £nil (2017 - £ 16,784)
Options Group Strategic Consulting (Middle East) LLC - £nil (2017 - £142,551)
Options Group (Amsterdam) BV - £nil (2017 - £32,329)

At the balance sheet date, included within creditors, the amount payable to its fellow subsidiary companies were as follows:

Options Group (Suisse) AG - £nil (2017 - £294,067)
Options Group Singapore Consulting Pte Ltd.- £nil (2017 - £62,251)
Options Group (Germany) GmbH - £nil (2017 - £747,199).
Options Group Australia Pty Limited - £nil (2017 - £34,439).

11 Parent company

In this and the preceding year, the company was a wholly owned subsidiary of Options Group International, LLC, a company incorporated in the United States of America. No one individual controls the parent company. Group accounts are available from the parent company at 121 East 18th Street, New York, NY 10003.