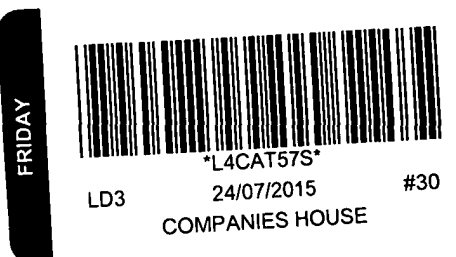


Company Registration No. 03879877

Lumesse Limited

Report and Financial Statements

31 December 2014



Lumesse Limited

Report and financial statements 2014

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Lumesse Limited

Report and financial statements 2014

Officers and professional advisers

Directors

M J Hunt
T P E Volk
P J Marchant

Registered Office

475 The Boulevard
Capability Green
Luton
United Kingdom
LU1 3LU

Bankers

HSBC plc
Thames Valley Business Centre
Apex Plaza
Reading
Berkshire
RG1 1AX

Auditor

Deloitte LLP
Chartered Accountants
London

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Lumesse Limited

Strategic report

The Directors present the strategic report for the year ended 31 December 2014.

Principal activities, review of the business and future developments

The principal activity of the Company continued to be the design and provision of talent management solutions.

The Company has continued to grow based on a strong commitment to customer success and a belief that it should create global products that can be turned in local solutions that will be useful, profitable and enjoyable for its customers. The business strategy is based on obtaining market leadership through innovation and exploiting opportunities to expand into key markets.

The Company is committed to investing in its products and expanding its customer base. The human capital market is a fast developing environment and product enhancement is a continuing feature of the Company's plans.

Key performance indicators

The Directors consider growth in turnover to be the Company's key performance indicator. The turnover this year was £19,849,918 (2013: 17,260,657) a 15% increase on 2013.

Principal risks and uncertainties

The Company is subject to a number of business risks. These risks include the following:

Economic - Companies take longer to make decisions over any planned recruitment and talent platform purchases, though the Directors believe that the quality of the products and services provided and the investment in infrastructure during the last two years will help mitigate the risk and are confident of continued growth and satisfactory trading results in the coming year.

Competition – The Company operates in a competitive market and failure to compete effectively might adversely affect the results of its operations. The Directors believe that the focus on customer success together with its continuous efforts in sales and marketing of its existing products and innovation will mitigate this risk.

Credit Risk – Customers may default on payments. The Company has implemented policies that ensure appropriate credit checks on potential customers are carried out. The amount of any exposure to any individual customer is subject to a limit and can only be exceeded with Board approval.

Liquidity – The risk that the Company will not be able to meet its obligations as they fall due. The liquidity requirements of the Company are managed by a central treasury function which monitors the future funding requirements over the short and medium term such that it can take action to supplement the Company's operating cash flows to service its obligations if appropriate.

Approved by the Board of Directors
and signed on behalf of the Board



Michael Hunt
Director

23rd July 2015

Lumesse Limited

Directors' report

The Directors present the report and financial statements for the year ended 31 December 2014. The principal risks and uncertainties have been discussed in the strategic report.

Results and dividends

The profit for the year after taxation amounted to £4,667,521 (2013: profit of £33,411). The Directors do not recommend a final dividend (2013: £nil).

Directors

The Directors who served the Company during the year and to the date of this report were as follows:

M J Hunt
T P E Volk
P J Marchant

Under the Company's articles of association, any Director is entitled to be indemnified by the Company (to the extent permitted by law) against any liability incurred by him in defending proceedings which relate to any acts or omissions in his capacity as an officer of the Company. In addition, the Company maintains insurance for the benefit of the Directors in respect of such matters at levels which they consider to be appropriate.

Going concern

The financial statements have been prepared on the going concern basis. The Directors believe this basis of preparation to be appropriate as the ultimate parent Company of the Group, Lumesse Holding S.a.r.l and ("The Group"), has provided a written undertaking to provide financial support for a period of not less than 12 months from the date of approval of these financial statements to enable the Company to meet its obligations as they fall due.

As disclosed in the Group accounts of Lumesse Holdings S.a.r.l, if the Group does not meet its 2015 and 2016 financial budget, the Group may be at risk of breaching its covenants. Management will address any potential covenant breach by taking actions that may include the following:

- continued cost discipline and proactive measures to manage costs by reducing discretionary spend;
- further enhancement of the cash management processes to deliver strong cash conversion.

Noting the above potential risks in relation to the Group's bank financing within twelve months from the date of approval of the financial statements, but taking into account the various potential actions discussed above and the ongoing Shareholder's support, the Group Board believes that the risk of a covenant breach is remote. Accordingly, the Group Board has prepared the consolidated financial statements on a going concern basis.

The Directors of this entity are therefore confident that the promised support will therefore be forthcoming and that the Company will be able to operate within the financial support. Accordingly, the financial statements do not contain any adjustments which may arise if this support is withdrawn.

Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP were appointed as auditor in the year and have expressed their willingness to be reappointed as auditor. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



Michael Hunt
Director

23rd July 2015

Lumesse Limited

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent auditor's report to the members of
Lumesse Limited**

We have audited the financial statements of Lumesse Limited for the year ended 31 December 2014 which comprise the profit and loss account, the balance sheet and the related notes 1 to 23. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

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 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 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 annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on matters prescribed in the Companies Act 2006

In our opinion the information in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditor's report to the members of
Lumesse Limited (continued)**

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



Richard Howe (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
23rd July 2015

Lumesse Limited

Profit and loss account Year ended 31 December 2014

	Notes	2014 £	2013 £
Turnover	3	19,849,918	17,260,657
Cost of sales		(3,167,807)	(9,110,196)
Gross profit		16,682,111	8,150,461
Net operating expenses		(12,016,076)	(5,533,434)
Operating profit before exceptional release of intercompany balances and goodwill write off		4,666,035	2,617,027
Exceptional release of intercompany balances		53,073	-
Goodwill write off		-	(1,774,671)
Operating profit	4	4,719,108	842,356
Exceptional items	5	(150,807)	(675,216)
Profit on ordinary activities before interest		4,568,301	167,140
Interest receivable and similar income	8	100,057	8,755
Interest payable and similar charges	9	(837)	(142,484)
Profit on ordinary activities before taxation		4,667,521	33,411
Tax on profit on ordinary activities	10	-	-
Profit for the financial year	22	4,667,521	33,411

There are no recognised gains or losses other than the profit attributable to the shareholders of the Company of £4,667,521 in the year ended 31 December 2014 (2013: profit of £33,411), consequently no Statement of Total Recognised Gains and Losses has been presented.

Lumesse Limited

Balance sheet at 31 December 2014

	Notes	2014 £	2013 £
Fixed assets			
Intangible assets	11	1,453,365	189,533
Tangible assets	12	1,606,995	1,710,654
		<u>3,060,360</u>	<u>1,900,187</u>
Current assets			
Debtors	13	11,163,885	18,775,393
Cash at bank and in hand		459,161	101,112
		<u>11,623,046</u>	<u>18,876,505</u>
Creditors: amounts falling due within one year	14	<u>(14,542,908)</u>	<u>(12,163,520)</u>
Net current assets/(liabilities)		<u>(2,919,862)</u>	<u>6,712,985</u>
Total assets less current liabilities		140,498	8,613,172
Creditors: amounts falling due after more than one year	15	-	(13,125,555)
Provisions for liabilities	16	(122,338)	(136,978)
Net assets/(liabilities)		<u>18,160</u>	<u>(4,649,361)</u>
Capital and reserves			
Called up share capital	20	143,959	143,959
Share premium account	21	297,945	297,945
Profit and loss account	21	(423,744)	(5,091,265)
Shareholders' surplus/(deficit)	22	<u>18,160</u>	<u>(4,649,361)</u>

The financial statements of Lumesse Limited, registered number 03879877 were approved by the Board of Directors on 23rd July 2015.

Signed on behalf of the Board of Directors

Michael Hunt

Michael Hunt
Director

Lumesse Limited

Notes to the financial statements Year ended 31 December 2014

1. Accounting policies

Basis of preparation

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

Statement of cash flows

The Directors have taken advantage of the exemption in FRS 1 (revised 1996) from including a statement of cash flows in the financial statements on the grounds that the Company is wholly owned and its parent undertaking includes the Company in its own published group financial statements.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be measured reliably. The following specific recognition criteria must also be met before turnover is recognised.

- Turnover is recognised by reference to the terms of the transaction at the balance sheet date when it is probable that the economic benefits associated with the transaction will flow to the enterprise, the amount of the turnover can be measured reliably, and the cost incurred for the transaction and the costs to complete the transaction can be measured reliably. Turnover is recorded net of sales taxes and discounts.
- Implementation and consulting service turnovers are recognised using the percentage of completion method when the outcome of the contract can be reliably estimated. The percentage completion is calculated with reference to the costs incurred at the reporting date compared to the expected total costs to deliver the service.
- Perpetual licence turnover is recognised at the time of delivery on the basis that no significant customisation is required. If customisation is required turnover is deferred until such customisation is completed.

Recurring licence turnover, customer support (maintenance) turnover and hosting turnovers are recognised rateably over the term of the service contract.

In accordance with FRS 5, Application note G, when a contract consists of more than one element, the total contract revenue is allocated to each separate element, such as licenses and post contract support, based on the fair value of each element.

Amounts which are invoiced to customers but not yet recognised as turnover are recorded in the balance sheet as deferred income.

Tangible fixed assets

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:

Short-term leasehold improvements	-	over the period of the lease
Fixtures and fittings and equipment	-	straight-line over 3 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Lumesse Limited

Notes to the financial statements Year ended 31 December 2014

1. Accounting policies (continued)

Research and development costs

Research costs are expensed in the profit and loss account as incurred. Development expenditures, on an individual project, are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit which is 3 to 5 years. During the period of development the asset is tested for impairment annually.

Intangible assets: Other

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are held at cost less accumulated amortisation. Intangible assets are amortised on a straight-line basis over their useful economic lives, which are reassessed annually together with any assessment of residual value. The useful lives of these intangible assets are assessed based on the expected period that benefits accrue to the Company. Amortisation is charged as a separate line item within depreciation and amortisation in the profit and loss account.

Other intangible assets are amortised on a straight-line basis over their estimated useful life as follows:

- Software licenses 3 to 5 years

The residual value is considered to be nil.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Lumesse Limited

Notes to the financial statements Year ended 31 December 2014

1. Accounting policies (continued)

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the Directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

2. Going concern

The financial statements have been prepared on the going concern basis. The Directors believe this basis of preparation to be appropriate as the ultimate parent Company of the Group, Lumesse Holding S.a.r.l, has provided a written undertaking to provide financial support for a period of not less than 12 months from the date of approval of these financial statements to enable the Company to meet its obligations as they fall due.

As disclosed in the Group accounts of Lumesse Holdings S.a.r.l, if the Group does not meet its 2014 and 2015 financial budget, the Group may be at risk of breaching its covenants. Management would address any potential covenant breach by taking actions that may include the following:

- continued cost discipline and proactive measures to manage costs by reducing discretionary spend;
- further enhancement of the cash management processes to deliver strong cash conversion.

Noting the above potential risks in relation to the Group's bank financing within twelve months from the date of approval of the financial statements, but taking into account the various potential actions discussed above and the ongoing Shareholder's support, the Group Board believes that the risk of a covenant breach is remote. Accordingly, the Group Board has prepared the consolidated financial statements on a going concern basis.

The Directors of this entity are therefore confident that the promised support will therefore be forthcoming and that the Company will be able to operate within the financial support. Accordingly, the financial statements do not contain any adjustments which may arise if this support is withdrawn.

Lumesse Limited

Notes to the financial statements Year ended 31 December 2014

3. Turnover

Turnover is attributable to the design and provision of talent management services. A geographical analysis of turnover is as follows:

	2014 £	2013 £
Design and provision of talent management services		
United Kingdom	19,762,106	17,134,307
Overseas	87,812	126,350
	19,849,918	17,260,557

4. Operating profit

This is stated after charging/(crediting):

	2014 £	2013 £
Auditors' remuneration	11,200	12,000
- Audit		
- non-audit	-	4,500
Depreciation of tangible fixed assets:	1,129,370	1,345,977
- owned by the Company		
Loss on disposal of tangible fixed assets	25,725	-
Amortisation of intangible assets	51,628	17,907
Operating lease rentals	497,097	404,531
- other		
Difference on foreign exchange	(117,757)	(36,436)

5. Exceptional items

	2014 £	2013 £
Exceptional items		
Restructuring costs	150,807	675,216

Restructuring costs and professional fees were paid to advisors in respect of reorganisation of the group and operations.

6. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	12,034,803	11,577,966
Social security costs	1,500,567	1,338,947
Other pension costs	1,028,153	650,425
	14,563,523	13,567,338

The average monthly number of employees during the year was as follows:

	No.	No.
Administrative	41	39
Management	9	5
Sales and marketing	109	132
IT development	88	60
	247	236

Lumesse Limited

Notes to the financial statements Year ended 31 December 2014

7. Directors' remuneration

	2014	2013
	£	£
Remuneration	-	262,094
Contributions paid to defined contribution pension schemes	-	7,700

During the year, no retirement benefits accrued for Directors (2013: 3) in respect of defined contribution pension schemes.

The remuneration in respect of highest paid Director was nil (2013: £166,285). Contributions paid to defined contribution pension schemes in respect of highest paid Director were nil (2013: £6,500).

The Directors are remunerated for services to the group as a whole and it is not practicable to allocate an amount of remuneration for this individual Company.

8. Interest receivable and similar income

	2014	2013
	£	£
Interest receivable from group companies	100,057	8,755

9. Interest payable and similar charges

	2014	2013
	£	£
Bank interest payable	837	158
On loans from group undertakings (note 14 and 15)	-	142,326
	837	142,484

10. Tax

	2014	2013
	£	£
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge	-	-
Current tax	-	-
Deferred tax		
Adjustments in respect of prior periods	-	-
Deferred tax asset	-	-
Tax on profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower (2013: higher than) than the standard rate of corporation tax in the UK of 21.49% (2013: 23.25%). The differences are explained below:

	2014	2013
	£	£
Profit on ordinary activities before tax	4,667,521	33,411
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013: 23.25%)	1,003,190	7,766
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	10,631	413,280
Depreciation for year in excess of capital allowances	248,265	343,595
Short term timing differences leading an increase in taxation	(591,533)	7,094
Non taxable income	(32,739)	-
Group relief not paid	(637,814)	(771,735)
Current tax charge for the year (see note above)	-	-

Lumesse Limited

Notes to the financial statements Year ended 31 December 2014

10. Tax (continued)

Factors that may affect future tax charges

Following the substantive enactment of the Finance Act 2012 in July 2012, the UK corporation tax rate was reduced from 25% to 23% with effect from 1 April 2013 and from 21% to 20% with effect from 1 April 2014.

Deferred tax assets and liabilities have therefore been calculated using 20% as this is the rate at which deferred tax is expected to unwind in the future.

A deferred tax asset of approximately £1,966,826 (2013: £2,394,204) relating to temporary timing differences carried forward and tax losses carried forward has not been recognised as there is uncertainty over its recoverability.

11. Intangible fixed assets

	IPRD	Patents and software licences	Total
	£	£	£
Cost:			
At 1 January 2014	-	232,439	232,439
Category transfer	55,142	(55,142)	-
Transferred to tangible fixed assets	-	(85,701)	(85,701)
Additions	849,532	620,623	1,470,155
Impairment	(65,999)	(2,996)	(68,995)
At 31 December 2014	838,675	709,223	1,547,898
Amortisation:			
At 1 January 2014	-	(42,906)	(42,906)
Amortisation	-	(51,627)	(51,627)
At 31 December 2014	-	(94,533)	(94,533)
Net book value:			
At 31 December 2014	838,675	614,690	1,453,365
At 31 December 2013	-	189,533	189,533

In the balance sheet as at 31st December 2013, some tangible assets were misclassified as patents and software licences. In addition, IPRD (In Progress Research and Development) was misclassified as patents and software licences. These have been reclassified in the current year, as the impact on the financial statements is not fundamental.

Lumesse Limited

Notes to the financial statements Year ended 31 December 2014

12. Tangible fixed assets

	Short term leasehold property £	Fixtures and fittings £	Total £
Cost:			
At 1 January 2014	902,933	8,892,778	9,795,711
Additions	193,221	772,514	965,735
Disposals	-	(2,364,319)	(2,364,319)
Transferred from intangible assets	85,701	-	85,701
Transfer between cost and depreciation	116,225	(28,089)	88,136
At 31 December 2014	1,298,080	7,272,884	8,570,964
Depreciation:			
At 1 January 2014	(756,391)	(7,328,666)	(8,085,057)
Charge for the year	(160,742)	(968,628)	(1,129,370)
Disposals	-	2,338,594	2,338,594
Transfer between cost and depreciation	8,032	(96,168)	(88,136)
At 31 December 2014	(909,101)	(6,054,868)	(6,963,969)
Net book value:			
At 31 December 2014	388,979	1,218,016	1,606,995
At 31 December 2013	146,542	1,564,112	1,710,654

In the balance sheet as at 31st December 2013, some tangible assets were misclassified as patents and software licences. This has been reclassified in the current year, as the impact on the financial statements is not fundamental.

13. Debtors

	2014 £	2013 £
Due after more than one year:		
Amounts owed by group undertakings	4,569	416,634
Due within one year:		
Trade debtors	4,799,235	4,277,122
Amounts owed by group undertakings	5,031,380	12,728,783
Other debtors	-	443,484
Prepayments and accrued income	1,328,701	909,370
	11,163,885	18,775,393

Amounts due from group undertakings includes an amount of £4,569 (2013: £3,769), which is unsecured and incurs interest at 10.6% (2013: 10.6%). The remainder is unsecured, interest free and has no fixed repayment terms.

14. Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	2,260,918	2,525,447
Amounts owed to group undertakings	2,943,459	1,454,636
Other taxes and social security costs	488,552	870,810
Other creditors	-	63,595
Accruals and deferred income	8,849,979	7,249,032
	14,542,908	12,163,520

Amounts owed to group undertakings are unsecured, interest free and have no fixed repayment terms. In 2013 amounts owed to group undertakings included an amount of £842,747 which was unsecured and incurred interest at 5.4% and was repayable on demand.

Lumesse Limited

Notes to the financial statements Year ended 31 December 2014

15. Creditors: amounts falling due after more than one year

	2014	2013
	£	£
Amounts owed to group undertakings	-	13,125,555

Amounts owed to group undertakings are unsecured, interest free and have no fixed repayment terms. In 2013 amounts owed to group undertakings included an amount of £1,035,650 which was unsecured and incurred interest at 10.6% and was repayable on demand.

16. Provisions for liabilities

	Leasehold property provision £
At 1 January 2014	136,978
Release of the dilapidation provision concerning the lease that expired in 2014	(33,622)
Additional provision charged to profit and loss account	18,982
At 31 December 2014	122,338

Leasehold property provision

Provisions have been made for the reinstatement of the Company's leasehold property at the end of the current lease term, which is expected to expire in 2020. The provision was estimated using comparable current market rates per square foot occupied and has not been discounted.

A dilapidation provision for a lease that expired in 2014 has been released.

17. Pensions

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £409,009 (2013: £654,210). Pension contributions outstanding at the year-end were £104,166 (2013: £77,922).

18. Other financial commitments

At 31 December 2014 the Company had annual commitments under non-cancellable operating leases as follows:

	2014		2013	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
Within one year	-	-	33,524	-
Two to five years	-	36,954	-	16,684
Over five year	424,539	-	360,800	-
Total	424,539	36,954	394,324	16,684

19. Related party transactions

The Company has taken advantage of the exemption in FRS 8, para 3c not to disclose transactions with other group companies which meet the criteria that all subsidiary undertakings which are party to the transactions are wholly owned by the ultimate parent undertaking.

Lumesse Limited

Notes to the financial statements

Year ended 31 December 2014

20. Issued share capital

	2014	2013
	£	£
Allotted, called up and fully paid		
19,194,508 ordinary shares of £0.0075 each	143,959	143,959

21. Movements on reserves

	Share premium account	Profit and loss account
	£	£
At 1 January 2014	297,945	(5,091,265)
Profit for the year	-	4,667,521
At 31 December 2014	297,945	(423,744)

22. Reconciliation of movement in shareholders' funds

	2014	2013
	£	£
Opening shareholders' deficit	(4,649,361)	(4,682,772)
Profit for the year	4,667,521	33,411
Closing shareholders' deficit	18,160	(4,649,361)

23. Ultimate parent undertaking and controlling party

The Company is domiciled in the United Kingdom.

The Company's immediate parent undertaking is Lumesse Holdings UK Limited, a Company registered in the United Kingdom.

Lumesse Holdings S.á r.l., a Company registered in Luxembourg, is the Company's ultimate parent undertaking and ultimate controlling party. Lumesse Holdings S.á r.l., is the smallest and largest group for which group financial statements are available. A copy of these group financial statements can be obtained from their address at 7a rue Robert Stumper L 2557 Luxembourg.