Registered Number: 04503175

PRPi Consulting Ltd

Directors' report and financial statements

for the year ended 30 June 2016

PRPi Consulting Ltd

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PRPi Consulting Ltd

Directors' report for the year ended 30 June 2016

The directors present their report and the audited financial statements for the financial year ended 30 June 2016.

Principal activities
The company's principal activity is the provision of human resources consultancy services.

Business review
The directors consider that the company's position at the end of the year is adequate.

The company made a profit after tax expense for the financial year of £263,000 (2015: £129,000). The company's net asset position at 30 June 2016 was £296,000 (2015: £733,000).

On 31 December 2016, the whole of the company's share capital was transferred by PricewaterhouseCoopers Services Limited to PwC Holdings (UK) Limited. Further details are provided in note 12.

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the company to continue as a going concern. On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The principal risks and uncertainties that the company faces relate to the provision of suitable services to clients and the ability to meet its financial obligations when they fall due. The directors are responsible for maintaining systems of internal control to manage and mitigate these risks. Financial risk management disclosures are given in note 10.

The company's key performance indicators are revenue and profit as disclosed in the statement of comprehensive income.

Dividends
On 23 March 2016, the directors approved an interim dividend of £700,000, being £6,364 per share.

The directors do not recommend the payment of a final dividend in respect of the financial year to 30 June 2016 (2015: nil). Details of dividends paid and proposed are disclosed in note 9.

Directors
The directors of the company, who held office throughout the financial year and up to the date of signing the financial statements, were as follows:

RPC Parkhouse
T Gosling
WE Hunt.

On 1 July 2016, AJB Cope was appointed as a director and KJD Ellis and KJ Nicholson resigned as directors.

Directors' report continued

Statement of directors' responsibilities
The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable laws 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 International Financial Reporting Standards ('IFRS') as adopted by the European Union. 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS as adopted by the European Union 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.

Disclosure of information to auditor
Each of the directors as at the date of approval of this report confirms, as required by Section 418 of the Companies Act 2006, that to the best of his/her knowledge and belief:

- there is no significant information known to the director relevant to the audit, of which the company's auditor is unaware; and
- each director has taken reasonable steps to make him/herself aware of such information and to establish that the company's auditor is aware of it.

By order of the Board

S Thompson
Company Secretary
24 March 2017

Independent auditor's report to the members of PRPi Consulting Ltd

We have audited the financial statements of PRPi Consulting Ltd for the year ended 30 June 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes numbered 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ('IFRS') as adopted by the European Union.

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 statement of directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the directors' report for the financial year ended 30 June 2016 for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

M Stallabrass

Matthew Stallabrass (Senior Statutory Auditor)
For and on behalf of Crowe Clark Whitehill LLP
Statutory Auditor
London
24 March 2017

PRPi Consulting Ltd

Statement of comprehensive income for year ended 30 June 2016

	Note	2016 £'000	2015 £'000
Revenue		**506**	493
Other operating charges	3	**(180)**	(335)
Operating profit		**326**	158
Finance income	4	**5**	5
Profit before tax expense		**331**	163
Tax expense	5	**(68)**	(34)
Profit and total comprehensive income for the financial year		**263**	129

PRPi Consulting Ltd

Statement of financial position as at 30 June 2016

	Note	2016 £'000	2015 £'000
Current assets			
Trade and other receivables	6	**602**	1,151
Total assets		**602**	1,151
Current liabilities			
Trade and other payables	7	**(240)**	(386)
Corporation tax		**(66)**	(32)
Total liabilities		**(306)**	(418)
Net assets		**296**	733
Equity			
Share capital	8	**–**	–
Retained earnings		**296**	733
Total equity		**296**	733

The financial statements on pages 4 to 12 were approved and authorised for issue by the Board of Directors on 24 March 2017 and were signed on its behalf by:

AJB Cope
Director

PRPi Consulting Ltd **Registered Number: 04503175**

PRPi Consulting Ltd

Statement of changes in equity for the year ended 30 June 2016

	Share capital £'000	Retained earnings £'000	Total £'000
Balance at beginning of prior year	–	**604**	**604**
Profit for the financial year	–	129	129
Balance at end of prior year	–	**733**	**733**
Profit for the financial year	–	263	263
Dividends paid	–	(700)	(700)
Balance at end of year	–	**296**	**296**

Statement of cash flows for the year ended 30 June 2016

	2016 £'000	2015 £'000
Cash flows from operating activities		
Profit after taxation	**263**	129
Tax on profits	**68**	34
Adjustments for:		
Finance income	**(5)**	(5)
Changes in working capital:		
Decrease in trade and other receivables	**549**	234
Decrease in trade and other payables	**(146)**	(362)
Adjustment for non-cash items:		
Corporation tax paid by immediate parent undertaking	**(34)**	(35)
Interest capitalised on loan to immediate parent undertaking	**5**	5
Dividends paid	**(700)**	–
Net cash flow from operating activities	–	–
Net movement in cash and cash equivalents in the year	–	–
Cash and cash equivalents at beginning of year	–	–
Cash and cash equivalents at end of year	–	–

Notes to the financial statements for the year ended 30 June 2016

1 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

Basis of preparation
These financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and IFRS Interpretation Committee ('IFRS IC') interpretations, as adopted by the European Union, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on a going concern basis under the historical cost convention, except as otherwise described in these accounting policies.

New standards and interpretations adopted in the year
During the financial year, the company adopted amendments to IFRS 3 'Business combinations', IFRS 13 'Fair value measurement', IAS 16 'Property, plant and equipment', IAS 19 'Employee benefits', IAS 38 'Intangible assets' and IAS 39 'Financial instruments – Recognition and measurement'. These changes have had no significant impact on the financial statements.

New standards and interpretations not yet adopted
The following IFRS standards and IFRS IC interpretations issued by the IASB have not been early adopted and are not expected to have a material impact on the company's results:

- IFRS 9 'Financial instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities and replaces IAS 39. IFRS 9 will become effective for the accounting period to June 2019.

- IFRS 15 'Revenue from contracts with customers' addresses the recognition and measurement of revenue and replaces IAS 18 'Revenue' and IAS 11 'Construction contracts'. While the company's accounting policy for revenue will change as a result of adopting IFRS 15, the changes are not expected to have a significant impact on the timing or value of the company's revenue. IFRS 15 requires revenue to be recognised only to the extent that it is highly probable that the revenue will not subsequently be reversed. This is broadly in line with the company's current accounting policy. The most significant impact on the company is the requirement for more detailed segmentation of contracts to allow separate performance obligations to be tracked. IFRS 15 will become effective for the accounting period to June 2019.

- IFRS 16 'Leases' replaces IAS 17 and addresses the definition, recognition and measurement of leases. The key change arising from IFRS 16 is that most operating leases will be accounted for on balance sheet as a right-of-use asset and a lease liability based on discounted future lease payments. The asset will be depreciated over its useful economic life while the lease payments will be apportioned between a capital repayment of the lease liability and a finance charge. IFRS 16 will become effective for the accounting period to June 2020, subject to EU endorsement.

Critical accounting estimates and judgements
The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities. The estimates and judgements are based on historical experience and other factors including expectations of future events that are believed to be reasonable and constitute management's best judgement at the date of the financial statements. In the future, actual experience could differ from those estimates.

The principal estimates and assumptions that could have a significant effect upon the company's financial results relate to the fair value of unbilled revenue on client assignments and receivables valuation. Further details of estimates and assumptions are set out in the relevant accounting policies and detailed notes to the financial statements.

Notes to the financial statements continued

1 Accounting policies continued

Revenue
Revenue represents amounts recoverable from clients for professional services provided during the year. It is measured at the fair value of consideration received or receivable on each client assignment, including expenses and disbursements and excluding Value Added Tax. Revenue is recognised when the amount can be reliably measured and it is probable that future economic benefits will flow.

Revenue recognition occurs in the period in which services are rendered by reference to the stage of completion, which is assessed on actual services provided as a proportion of total services to be provided. Revenue in respect of contingent fee assignments, over and above any agreed minimum fee, is recognised when the contingent event occurs.

Unbilled revenue on individual client assignments is included as unbilled amounts for client work within trade and other receivables. Where individual on-account billings exceed revenue on client assignments, the excess is classified as progress billings for client work within trade and other payables.

Financial Instruments
Financial instruments are initially measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In the statement of cash flows, cash and cash equivalents include cash at bank and in hand and bank overdrafts.

Trade and other receivables are initially measured at fair value and held at amortised cost less provisions for impairment. Provisions for impairment represent an allowance for doubtful debts that is estimated, based upon current observable data and historical trends.

Unbilled amounts for client work are initially measured at fair value and held at amortised cost less provisions for foreseeable losses.

Trade and other payables are initially measured at fair value and held at amortised cost.

Tax expense
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred tax liabilities relate to temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, recognised using the liability method. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is measured at the tax rates that are substantively enacted at the reporting date and expected to apply in the periods in which the temporary differences reverse.

Share capital
Ordinary shares are classified as equity.

2 Staff costs

No directors received any emoluments for services to the company during the financial year (2015: nil). Other than the directors, there were no employees in the company during the current or prior financial year.

3 Other operating charges

Other operating charges include service charges from group undertakings and professional advisory fees.

Auditor's remuneration payable to Crowe Clark Whitehill LLP in respect of audit fees for the financial years ended 30 June 2016 and 30 June 2015 was borne by the company's ultimate parent undertaking. There were no fees payable for other services during the financial year (2015: nil).

4 Finance income

	2016 £'000	2015 £'000
Interest receivable on loan to immediate parent undertaking	**5**	5

Notes to the financial statements continued

5 Tax expense

Tax expense comprises:

	2016 £'000	2015 £'000
Current tax comprising UK corporation tax expense at 20% (2015: 20.75%) based on taxable profits for the year	**66**	34
Adjustment to tax charge in respect of prior financial years	**2**	–
	68	34

The following table reconciles the tax expense at the standard rate to the actual tax expense:

	2016 £'000	2015 £'000
Profit before tax expense	**331**	163
Tax expense at UK standard rate of 20% (2015: 20.75%)	**66**	34
Adjustment to tax charge in respect of prior financial years	**2**	–
	68	34

The company had no deferred tax assets or liabilities at 30 June 2016 or 30 June 2015.

The company is part of a Group Payment Arrangement entered into by its immediate parent undertaking with HM Revenue & Customs. The immediate parent undertaking makes corporation tax payments on behalf of the company under this arrangement and then recharges the amounts.

6 Trade and other receivables

	2016 £'000	2015 £'000
Trade receivables	**–**	357
Loan due from immediate parent undertaking	**312**	307
Amounts due from ultimate parent undertaking	**204**	215
Amounts due from immediate parent undertaking	**86**	266
Unbilled amounts for client work	**–**	6
	602	1,151

Trade and other receivables are denominated in sterling.

The book value of trade and other receivables is consistent with fair value in the current and prior financial years.

During the financial year there has been no impairment charge recognised on any trade or other receivable assets (2015: nil).

The ageing and credit risk relating to trade receivables is analysed as follows:

	2016 £'000	2015 £'000
30 days or less, fully performing	**–**	343
31 to 180 days, past due and fully performing	**–**	14
	–	357

Notes to the financial statements continued

7 Trade and other payables

	2016 £'000	2015 £'000
Other payables including taxation and social security	–	45
Progress billings for client work	240	341
	240	386

Trade and other payables are denominated in sterling.

The book value of trade and other payables is consistent with fair value in the current and prior financial years.

8 Share capital

	2016 £	2015 £
Balance at beginning and end of year:		
100 ordinary A shares of £1 each	100	100
10 ordinary B shares of £1 each	10	10
	110	110

All classes of shares rank pari passu.

Prior to 31 December 2016, the whole of the share capital was held by PricewaterhouseCoopers Services Limited.

On 31 December 2016, the whole of the share capital was transferred to PwC Holdings (UK) Limited.

9 Dividends

On 23 March 2016, the directors approved an interim dividend of £700,000, being £6,364 per share.

The directors do not recommend the payment of a final dividend in respect of the year ended 30 June 2016 (2015: nil).

10 Financial instruments

Financial risk management
The company holds or issues financial instruments in order to finance its operations. The principal financial instruments held or issued by the company are:

- Trade and other receivables –The balance primarily represents amounts due from clients in respect of services provided, for which payment has not yet been received, and amounts due from the company's parent undertakings in relation to the cash management of the company.
- Trade and other payables – The balance represents progress billings to clients.

The Executive Board of the company's ultimate parent undertaking determines the treasury policies of the group, which include those of the company. These policies, designed to manage risk, relate to specific risk areas that management wish to control, including liquidity, credit risk, interest rate and foreign currency exposures.

Credit risk
The company's significant credit risk relates to receivables from clients. Exposure to that risk is monitored on a routine basis and credit evaluations are performed on clients as appropriate. The company's exposure to that risk is influenced mainly by the individual characteristics of each client. Risk is managed by maintaining close contact with each client and by routine billing and cash collection for work done. The company holds no collateral as security.

Notes to the financial statements continued

10 Financial instruments continued

Financial assets and liabilities by category:

Loans and receivables	2016 £'000	2015 £'000
Assets		
Trade and other receivables	**602**	1,151
Other financial liabilities		
Liabilities		
Trade and other payables	**(240)**	(341)

Interest rate profile of financial assets and financial liabilities
All of the receivables and payables above are non-interest earning instruments, with the exception of the £312,000 (2015: £307,000) loan to the immediate parent undertaking included within trade and other receivables, which bears interest at a variable rate.

Currency profile of financial assets and liabilities
The majority of the company's income and expenditure is in sterling and there was no material exposure of financial assets and liabilities to foreign exchange movements as at 30 June 2016.

11 Related party transactions

The company's parent undertakings undertake the cash management of the company.

The following transactions were carried out with related parties:

	2016 £'000	2015 £'000
Purchase of services		
Ultimate parent undertaking	**(45)**	–
Immediate parent undertaking	**(106)**	(252)
Finance income		
Interest receivable on loan to immediate parent undertaking	**5**	5
Dividends paid to		
Immediate parent undertaking	**(700)**	–

	2016 £'000	2015 £'000
Year end balances with related parties:		
Loan due from immediate parent undertaking	**312**	307
Amounts due from ultimate parent undertaking	**204**	215
Amounts due from immediate parent undertaking	**86**	266

Key management personnel
The directors represent key management personnel for the purposes of these financial statements. They received no fees or salaries from the company during the financial year (2015: nil).

Notes to the financial statements continued

12 Events after the reporting period

On 31 December 2016, the whole of the company's share capital was transferred by PricewaterhouseCoopers Services Limited to PwC Holdings (UK) Limited.

13 Immediate and ultimate parent undertaking

The company is incorporated in England and Wales.

Prior to 31 December 2016, the company's immediate parent undertaking was PricewaterhouseCoopers Services Limited. On 31 December 2016, following the transfer of the company's share capital by PricewaterhouseCoopers Services Limited, the company's immediate parent undertaking became PwC Holdings (UK) Limited.

The company's ultimate parent undertaking and controlling party is PricewaterhouseCoopers LLP, which is the parent undertaking of the smallest and largest group that consolidates these financial statements.

The registered office address of the company is PO Box 67238, 10-18 Union Street, London, SE1P 4DL. The registered office address of PricewaterhouseCoopers LLP is 1 Embankment Place, London, WC2N 6RH.