

Company Registration No. 05122429 (England and Wales)

CAPITA TRANSLATION AND INTERPRETING LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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CAPITA TRANSLATION AND INTERPRETING LIMITED

COMPANY INFORMATION

Directors

S J S Mayall on behalf of Capita Corporate Director Limited
F A Todd
A T Delgado

Secretary

Capita Group Secretary Limited

Company number

05122429

Registered office

17 Rochester Row
London
United Kingdom
SW1P 1QT

Auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

CAPITA TRANSLATION AND INTERPRETING LIMITED

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CAPITA TRANSLATION AND INTERPRETING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors present their Strategic report and financial statements for the year ended 31 December 2017.

Review of the business

Capita Translation and Interpreting Limited ("the Company") is a subsidiary (indirectly held) of Capita plc. Capita plc and its subsidiaries are hereafter referred to as "the Group". The Company operates within the Group's IT services division.

The principal activity of the Company continued to be that of translation and interpreting services. There have not been any significant changes in the Company's principal activities in the year under review. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

As shown in the Company's income statement on page 6, the Company's revenue has decreased from £30,803,716 to £16,577,386 in 2017, while the operating profit has decreased from £2,276,665 in 2016 to £1,552,265 in 2017.

The balance sheet on page 7 of the financial statements shows the Company's financial position at the year end. Net Liabilities have decreased from £4,415,586 to £4,148,525 in 2017. Details of amounts owed by/to its parent Company and fellow subsidiary undertakings are shown in notes 10 and 12 to the financial statements.

Key performance indicators used by Capita plc are operating margins, free cash flow, capital expenditure and return on capital employed. Capita plc and its subsidiaries manage their operations on a divisional basis and as a consequence, some of these indicators are monitored only at a divisional level. The performance of the IT services division is discussed in the Group's annual report which does not form part of this report.

Principal risks and uncertainties

The Company is subject to various risks and uncertainties during the ordinary course of its business many of which result from factors outside of its control. The Company's risk management framework provides reasonable (but cannot provide absolute) assurance that significant risks are identified and addressed. An active risk management process identifies, assesses, mitigates and reports on strategic, financial, operational and compliance risk.

The principal themes of risk for the Company are:

- *Strategic:* changes in economic and market conditions such as contract pricing and competition.
- *Financial:* significant failures in internal systems of control and lack of corporate stability.
- *Operational:* including recruitment and retention of staff, maintenance of reputation and strong supplier and customer relationships, operational IT risk, and failures in information security controls.
- *Compliance:* non-compliance with laws and regulations. The Company must comply with an extensive range of requirements that govern its business.

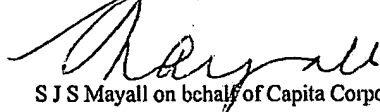
To mitigate the effect of these risks and uncertainties, the Company adopts a number of systems and procedures, including:

- Regularly reviewing trading conditions to be able to respond quickly to changes in market conditions.
- Applying procedures and controls to manage compliance, financial and operational risks, including adhering to a strict internal control framework.

Capita plc, has also implemented appropriate controls and risk governance techniques across all of our businesses which are discussed in the Group's annual report which doesn't part form part of this report.

Groups risks are discussed in the Group's annual report which does not form part of this report.

On behalf of the board



S J S Mayall on behalf of Capita Corporate Director Limited

Director

28 September 2018

CAPITA TRANSLATION AND INTERPRETING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors present their Strategic report, Directors' report and financial statements for the year ended 31 December 2017.

Results and dividends

The results for the year are set out on page 6.

No interim or final dividend was paid during the year (2016: £nil).

Directors

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

S J S Mayall on behalf of Capita Corporate Director Limited

F A Todd

A T Delgado

K J Gordon

M McCloskey

(Appointed 30 June 2017)

(Appointed 24 November 2017)

(Resigned 24 November 2017)

(Resigned 30 June 2017)

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Political Donations

The Company made no political donations and incurred no political expenditure during the year (2016: £nil).

Auditor

KPMG LLP, having indicated its willingness to continue in office, will be deemed to be reappointed as auditor under section 487(2) of the Companies Act 2006.

Statement of Directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements

The Directors are responsible for preparing the Strategic report, Directors' 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 UK accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting, unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

CAPITA TRANSLATION AND INTERPRETING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

Statement of Directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements (continued)

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

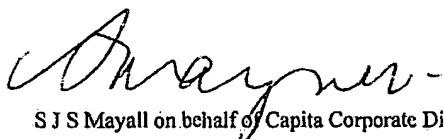
Statement of disclosure to auditor

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the Company's auditor is unaware. Having made enquires of fellow Directors and the Company's auditor, each Director has taken all the steps that he might reasonably be expected to take as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Qualifying third party indemnity provisions

The Company has granted an indemnity to the Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

On behalf of the board



S J S Mayall on behalf of Capita Corporate Director Limited

Director

28 September 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CAPITA TRANSLATION AND INTERPRETING LIMITED

Opinion

We have audited the financial statements of Capita Translation and Interpreting Limited ("the company") for the year ended 31 December 2017 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CAPITA TRANSLATION AND INTERPRETING LIMITED

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Kelly Dunn (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

28 September 2018

CAPITA TRANSLATION AND INTERPRETING LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Revenue	3	16,577,386	30,803,716
Cost of sales		(13,697,496)	(23,540,469)
Gross profit		2,879,890	7,263,247
Administrative expenses		(1,327,625)	(4,986,582)
Operating profit	4	1,552,265	2,276,665
Net finance cost	5	(141)	(351)
Impairment of investments	9	(1,039,956)	-
Profit/loss before tax		512,168	2,276,314
Income tax expense	6	(245,107)	(407,452)
Total comprehensive income for the year		267,061	1,868,862

The income statement has been prepared on the basis that all operations are continuing operations.

There are no recognized gains and losses other than those passing through the income statement.

The notes on pages 9 to 26 form an integral part of financial statements.

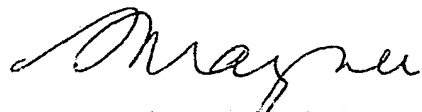
CAPITA TRANSLATION AND INTERPRETING LIMITED

BALANCE SHEET AS AT DECEMBER 2017

	Notes	2017 £	2016 £
Non-current assets			
Property, plant and equipment	7	124,798	270,252
Intangible fixed assets	8	2,148,630	289,586
Investments	9	1,148,947	1,148,947
Trade and other receivables	10	1,203	-
Deferred tax	6	53,619	55,109
		<u>3,477,197</u>	<u>1,763,894</u>
Current assets			
Trade and other receivables	10	3,720,962	2,992,860
Cash	11	149,485	410,805
		<u>3,870,447</u>	<u>3,403,665</u>
Total assets		<u>7,347,644</u>	<u>5,167,559</u>
Current liabilities			
Trade and other payables	12	10,064,484	9,069,736
Deferred income	13	226,339	78,680
Financial liabilities	14	746,316	-
Provisions	15	40,000	98,451
Income tax payable		419,030	336,278
Total current liabilities		<u>11,496,169</u>	<u>9,583,145</u>
Total liabilities		<u>11,496,169</u>	<u>9,583,145</u>
Net liabilities		<u>(4,148,525)</u>	<u>(4,415,586)</u>
Capital and reserves			
Issued share capital	16	100	100
Share premium		5,910	5,910
Capital redemption reserve		8	8
Retained earnings		(4,154,543)	(4,421,604)
Total deficit		<u>(4,148,525)</u>	<u>(4,415,586)</u>

The notes on pages 9 to 26 form an integral part of financial statements.

Approved by the Board and authorized for issue on 28 September 2018.



S J S Mayall on behalf of Capita Corporate Director
Director

Company Registration No: 05122429

CAPITA TRANSLATION AND INTERPRETING LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Share capital	Share premium	Capital redemption reserve	Retained earnings	Total
At 1 January 2016	£ 100	£ 5,910	£ 8	£ (6,290,466)	£ (6,284,448)
Total comprehensive income for the year	-	-	-	1,868,862	1,868,862
Contribution in respect of share based payment charge	-	-	-	(13,014)	(13,014)
Settlement of share based payment charged by inter-company	-	-	-	13,014	13,014
At 31 December 2016	100	5,910	8	(4,421,604)	(4,415,586)
Total comprehensive income for the year	-	-	-	267,061	267,061
At 31 December 2017	100	5,910	8	(4,154,543)	(4,148,525)

Share capital

The balance classified as share capital is the nominal proceeds on issue of the Company's equity share capital, comprising 100 ordinary shares of £1 each

Share premium

The amount paid to the Company by shareholders, in cash or other consideration, over and above the nominal value of shares issued to them.

Capital redemption reserve

The company can redeem shares by repaying the market value of the shareholder whereupon the shares are cancelled. Redemption must be from distributable profits. The capital redemption reserve represents the nominal value of the shares redeemed.

Retained earnings

Net profits kept to accumulate in the Company after dividends are paid and retained in the business as working capital.

The notes on pages 9 to 26 form an integral part of financial statements.

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

1. Accounting Policies

1.1 Basis of Preparation

Capita Translation and Interpreting Limited is a Company incorporated, registered and domiciled in the UK.

The financial statements are prepared under the historical cost basis except where stated otherwise and in accordance with applicable accounting standards.

Despite the Company being in a net current liability position the ultimate parent undertaking has stated that it will provide continuing financial assistance to the Company for the foreseeable future. Due to the financial assistance provided by the ultimate parent undertaking, the Company should have sufficient financial resources together with long standing relationships with clients and suppliers. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.2 Compliance with accounting standards

The Company has applied FRS101 – Reduced Disclosure Framework in the preparation of its financial statements. The Company has prepared and presented these financial statements by applying the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but made amendments, where necessary, in order to comply with The Companies Act 2006.

From the year ended 31 December, 2017, the Company has elected to present its financial statements under IAS 1 format to be in line with the consolidated financial statements published by the Group. Accordingly, the comparatives for the year ended 31 December, 2016 have been reclassified to the revised format. Refer to Note 24 for a reconciliation between IAS 1 presentation and presentation as previously reported.

The Company's ultimate parent undertaking, Capita plc, includes the Company in its consolidated statements. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU (EU-IFRS) and are available to the public and may be obtained from Capita plc's website on <http://investors.capita.com>.

In these financial statements, the Company has applied the disclosure exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Comparative period reconciliations for share capital, property, plant and equipment and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Certain disclosures required by IFRS 15 Revenue from Contracts with Customers;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy; and
- Disclosures in respect of the compensation of key management personnel.

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

1. Accounting policies (continued)

1.2 Compliance with accounting standards (continued)

As the consolidated financial statements of Capita plc include equivalent disclosures, the Company has also taken the disclosure exemptions under FRS 101 available in respect of the following disclosure:

- Certain disclosures required by IFRS 2 Share Based Payments in respect of Group settled share based payments;
- Certain disclosures required by IAS 36 Impairments of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company, in the current and prior periods including the comparative period reconciliation for goodwill; and
- Disclosures required by IFRS 7 Financial Instrument Disclosures.

1.3 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except for the early adoption of IFRS 15 Revenue from Contracts with Customers and Clarifications: Revenue from Contracts with Customers.

Initial adoption of IFRS 15 Revenue from Contracts with Customers

The standard has an effective date of 1 January 2018 but the Company has decided to early adopt this standard with a date of initial application to the Company of 1 January 2017 using the full retrospective method. IFRS 15 replaces all existing revenue requirements in IFRS and applies to all revenue arising from contracts with customers unless the contracts are within the scope of other standards such as IAS 17 Leases.

The standard outlines the principles entities must apply to measure and recognise revenue with the core principle being that entities should recognise revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for fulfilling its performance obligations to a customer.

The principles in IFRS 15 must be applied using the following 5 step model:

1. Identify the contract(s) with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations

The standard requires entities to exercise considerable judgement taking into account all the relevant facts and circumstances when applying each step of this model to its contracts with customers. The standard also specifies how to account for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract, as well as requirements covering matters such as licences of intellectual property, warranties, principal versus agent assessment and options to acquire additional goods or services.

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

1. Accounting policies (continued)

1.3 Changes in accounting policies (continued)

The Company has applied IFRS 15 fully retrospectively in accordance with paragraph C3 (a) of the standard, restating the prior period's comparatives and electing to use the following expedients:

- in respect of completed contracts, the Company will not restate contracts that (i) begin and end within the same annual reporting period; or (ii) are completed contracts at the beginning of the earliest period presented (para. C5(a));
- in respect of completed contracts that have variable consideration, the Company will use the transaction price at the date the contract was completed rather than estimating variable consideration amounts in the comparative periods (para. C5(b)); and
- for all reporting periods presented before the date of initial application, the Company will not disclose the amount of the transaction price allocated to the remaining performance obligations or an explanation of when the Company expects to recognise that amount as revenue (para C5(c)).

1.4 Revenue recognition

Revenue is earned within the United Kingdom.

The revenue and profits recognised in any period are based on the delivery of performance obligations and an assessment of when control is transferred to the customer.

Revenue is recognised when the performance obligation in the contract has been performed (so 'point in time' recognition)

Transactional (point in time) contracts

The Company delivers a range of goods or services in all reportable segments that are transactional services for which revenue is recognised at the point in time when control of the goods or services has transferred to the customer. This may be at the point of physical delivery of goods and acceptance by a customer or when the customer obtains control of an asset or service in a contract with customer-specified acceptance criteria.

The nature of contracts or performance obligations categorised within this revenue type includes fees received in relation to delivery of professional translation and interpreting services.

Contract related assets and liabilities

As a result of the contracts which the Company enters into with its customers, a number of different assets and liabilities are recognised on the Company's balance sheet. These include but are not limited to:

- Deferred income[^]

* No change in the accounting policies for these assets as a result of the adoption of IFRS 15

[^] Refer below for the accounting policy applied following the adoption of IFRS 15

CAPITA TRANSLATION AND INTERPRETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting policies (continued)

1.4 Revenue recognition (continued)

Deferred income

The Company's customer contracts can include advance payments schedules dependent upon the nature and type of goods and services being provided. The Company often agrees advance payment schedules at the inception. Payments for transactional goods and services may also be at delivery date, in arrears or part payment in advance.

Where payments made are greater than the revenue recognised at the period end date, the Company recognises a deferred income contract liability for this difference.

1.5 Goodwill

Goodwill is stated at cost less any accumulated impairment losses. It is not amortised but is tested annually for impairment. This is not in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 which requires that all goodwill be amortised. The directors consider that this would fail to give a true and fair view of the profit for the year and that the economic measure of performance in any period is properly made by reference only to any impairment that may have arisen. It is not practicable to quantify the effect on the financial statements of this departure.

On adoption of FRS 101, the Company restated business combinations that took place between 1 January 2004 and 31 December 2010. Certain items were recognised as other intangible assets from goodwill and amortised over their expected useful life and goodwill amortisation was restated to reverse the impact of amortisation over that period. The Company, therefore, restated its opening balance in 2012 to reflect the position had IFRS 3 'Business Combinations' been in effect since 1 January 2004. This is in accordance with the position recorded in the ultimate parent Company's consolidated accounts, which the directors believe is the most appropriate and consistent approach to take on business combinations since the adoption of IFRS in the comparative period for the year ending 31 December 2005. Prior to 1 January 2004 business combinations were accounted for under UK GAAP.

1.6 Property, plant and equipment

Property, plant and equipment other than freehold land are stated at cost less depreciation. Freehold land is not depreciated. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	3-5 years
Computer equipment	3-5 years
Leasehold improvements	over the period of lease

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstance indicate that the carrying value may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

1. Accounting policies (continued)

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Investments

All investments are initially recorded at their cost. Subsequently they are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

1.9 Cash and cash equivalents

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

1.10 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Income Statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from the initial recognition of goodwill
- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised, except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

1. Accounting policies (continued)

1.10 Taxation

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

1.11 Share based payment

The Company participates in various share option and sharesave schemes operated by Capita plc, the ultimate parent undertaking. Details of these schemes are contained in the Group's annual report.

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined using an option pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Company (market conditions).

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions, the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense, attributable to the Company, since the previous balance sheet date is recognised in the Income Statement and settled with Capita plc, the ultimate parent undertaking.

In accordance with IFRS 2, share option awards of the ultimate parent Company's equity instruments in respect of settling grants to employees of the Company are disclosed as a charge to the Income Statement and a credit to equity. The Company's policy is to reimburse its ultimate parent Company through the inter Company account for charges that are made to it. Hence the credit to equity has been eliminated, rather reflecting a credit to inter-Company which better describes the underlying nature of the transaction.

1.12 Group accounts

The financial statements present information about the Company as an individual undertaking and not about its Group. The Company has not prepared Group accounts as it is fully exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Capita plc, a Company incorporated in England and Wales, and is included in the consolidated accounts of that Company.

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

1. Accounting policies (continued)

1.13 Financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Trade and other receivables - trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Trade and other payables - Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.14 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and 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. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, 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 borrowing cost. The Company provides, on a discounted basis, for the future rent expense and related cost of leasehold property (net of estimated sub-lease income) where the space is vacant or currently not planned to be used for ongoing operations.

1.16 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to Income Statement.

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

2. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires the Directors to make judgements and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported income and expense during the reported periods. Although these judgements and assumptions are based on the Directors' best knowledge of the amount, events or actions, actual results may differ.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- The measurement of contingent liabilities reflects management's assessment of the probable outflow of economic benefits resulting from an existing obligation. Contingent liabilities are calculated on a case by case basis and involve judgement as regards the final timing and quantum of any financial outlay.
- The Company determines whether investments are impaired based on any impairment indicators. This involves estimation of the enterprise value of the investee which is determined based on the greater of discounted future cash flows at a suitable discount rate or through the recoverable value of investments held by the investee Company.

CAPITA TRANSLATION AND INTERPRETING LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

3 Revenue

The total revenue of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

4 Profit for the year

	2017	2016
	£	£
Operating profit for the year is stated after charging:		
Net foreign exchange (losses)/gains	14,284	(57,188)
Depreciation of property, plant and equipment	145,453	159,421
Operating lease rentals - other assets	106,696	129,718
Operating lease rentals - land and building	110,523	136,694

Audit fees are borne by the ultimate parent undertaking, Capita plc. The audit fee for the current period was £ 11,550 (2016: £ 11,000). The company has taken advantage of the exemption provided by regulations 6(2)(b) of the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 not to provide information in respect of fees for other (non-audit) services as this information is required to be given in the company financial statement of the ultimate parent undertaking, which it is required to prepare in accordance with the Companies Act, 2006.

5 Net finance cost

	2017	2016
	£	£
Other interest payable	141	351
	<u>141</u>	<u>351</u>

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

6 Income tax

The major components of income tax expense for the years ended 31 December 2017 and 2016 are:

	2017 £	2016 £
Current income tax		
Current income tax charge	255,164	448,878
Adjustment in respect of prior years	(28,104)	(23,082)
	<u>227,060</u>	<u>425,796</u>
Deferred income tax		
Origination and reversal of temporary differences	2,679	(32,661)
Adjustment in respect of prior years	15,368	14,317
	<u>18,047</u>	<u>(18,344)</u>
Total tax expense	<u>245,107</u>	<u>407,452</u>

The reconciliation between tax expense and the product of accounting profit multiplied by the UK corporation tax rate for the years ended 31 December 2017 and 2016 is as follows:

	2017 £	2016 £
Profit before tax	512,168	2,276,314
Notional charge at UK corporation tax rate of 20% (2016: 20%)	98,592	455,263
Taxation impact of factors affecting tax charge:		
Adjustments in respect of current tax of prior years	(28,104)	9,785
Expenses not deductible in determining taxable profits	201,304	(998)
Unutilised tax losses carried forward	(41,700)	(60,147)
Effect of changes in UK corporation tax rates	(353)	4,762
Adjustments in respect of deferred income tax of prior years	15,368	(1,213)
At the effective tax rate of 8.77% (2016: 17.90%)	<u>245,107</u>	<u>407,452</u>
Total tax charge for the year	<u>245,107</u>	<u>407,452</u>

	Balance sheet		Income statement	
	2017	Restated 2016	2017	Restated 2016
Deferred tax liabilities				
Deferred tax assets				
Accelerated capital allowances	51,556	39,805	(11,751)	(64,976)
Other temporary differences	2,063	15,304	29,798	46,632
Net deferred tax asset	<u>53,619</u>	<u>55,109</u>		
Deferred income tax expense /(credit)			<u>18,047</u>	<u>(18,344)</u>

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

7 Property, plant and equipment

	Leasehold improvements £	Furniture and Fixtures £	Computer Equipment £	Total £
Cost				
At 1 January 2017	69,828	88,232	501,887	659,947
Asset retirement	(54,075)	(88,232)	(58,444)	(200,751)
At 31 December 2017	15,753	-	443,443	459,196
Depreciation and impairment				
At 1 January 2017	53,461	74,665	261,569	389,695
Depreciation	14,041	13,566	117,846	145,453
Asset retirement	(54,075)	(88,231)	(58,444)	(200,750)
At 31 December 2017	13,427	-	320,971	334,398
Net book value				
At 31 December 2016	16,367	13,567	240,318	270,252
At 31 December 2017	2,326	-	122,472	124,798

8 Intangible Assets

	Goodwill £
Cost	
As at 1 January 2017	289,586
Transfer from investments (Refer note below)	1,859,044
As at 31 December 2017	2,148,630
Net book value	
At 31 December 2016	289,586
At 31 December 2017	2,148,630

Note:

During the year the company acquired all the assets and liabilities of its wholly owned subsidiary Amity Communications Limited, as a result the investment value £2,899,000 of subsidiary was written off, net value assets of the subsidiary taken over were £ 1,039,956 resulting in the goodwill of 1,849,044. (Please refer to footnote a & b of note 9)

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

9 Investment in subsidiaries

	2017	2016
	£	£
Cost		
Opening balance	1,148,947	-
Additions during the year (Refer note 'a' below)	2,899,000	1,148,947
Transfer to goodwill (Refer note 'b' below)	(1,859,044)	-
Closing balance	2,188,903	1,148,947
Provision for diminution in value		
Opening balance	-	-
Impairment (Refer note 'c' below)	(1,039,956)	-
Closing balance	(1,039,956)	-
Net book value	1,148,947	1,148,947

Note:

a) During the year the Company acquired Amity Communications Limited for a purchase consideration of £2,899,000.

b) During the year the company then acquired all the assets and liabilities of Amity Communications Limited for £1,039,000, which was equivalent to the book value of assets and liabilities at the date of transfer. As a result of this transaction the difference between the investment value and the consideration of £1,039,000 was transferred to goodwill (refer footnote to note 8).

c) The company subsequently agreed to cancel its payable to Amity Communications Limited of 1,039,000, which resulted in an impairment of the investment with the same value. The write off of the payable to Amity Communications Limited is recorded in administrative expenses in the Income Statement and the impairment of investment is shown as a separate line item in the Income Statement.

Details of the company's direct subsidiaries at 31 December 2017 are as follows:

Company	Country of registration or incorporation	Ordinary shares held (%)	Nature of business
Capita Translation and Interpreting LLC	Corporation Trust Centre, 1209 Orange Street, Wilmington, New Castle DE 19801, USA	100	Translation services
ITR International Translation Resources Limited	17 Rochester Row, London, United Kingdom, SW1P 1QT	100	Translation services
Amity Communications Limited	17 Rochester Row, London, United Kingdom, SW1P 1QT	100	Translation services

10 Trade and other receivables

Current	2017	2016
	£	£
Trade receivables	2,798,835	2,153,716
Other receivables	10,632	15,072
Prepayments	140,035	62,257
Accrued income	379,199	323,356
Amount due from parent and fellow subsidiary undertakings	392,261	438,459
Total	3,720,962	2,992,860
Non-current	2017	2016
	£	£
Prepayments and accrued income	1,203	-
Total	1,203	-

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

11 Cash

	2017	2016
	£	£
Cash at bank and in hand	149,485	410,805
Total	149,485	410,805

12 Trade and other payables

	2017	2016
	£	£
Current		
Trade payables	812,218	610,058
Other creditors	363	-
Other taxes and social security	507,493	754,507
Accruals	1,090,002	1,311,650
Amount due to parent and fellow subsidiary undertakings	7,654,408	6,393,521
Total	10,064,484	9,069,736

13 Deferred income

	2017	2016
	£	£
Deferred income	226,339	78,680
Total	226,339	78,680

14 Financial liabilities

	2017	2016
	£	£
Overdrafts	746,316	-
Total	746,316	-

15 Provisions

Particulars	Property provision	Restructuring Provision	Total
	£	£	£
As at 1 January 2017	89,255	9,196	98,451
Additions		40,878	40,878
Profit and Loss account	(49,255)	(50,074)	(99,329)
As at 31 December 2017	40,000	-	40,000

The Property provision represents both dilapidation provisions and empty property provisions. The company is required to perform repairs on leased properties prior to the properties being vacated at the end of their lease term. Dilapidation provisions for such costs are where a legal obligation is identified and the liability can be reasonably quantified. The provisions are expected to be utilised within the next five years. Empty property provision is made for future rent expense and related cost of leasehold property where the space is vacant or currently not being used for ongoing operations. The expenditure is expected to be incurred over the remaining periods of the leases.

The restructuring provision is in respect of the cost of the major restructuring activities undertaken by the company commencing in the last quarter of 2016. It represents the cost of reducing role count where there is a constructive obligation created through communication to affected employees which has crystallised a valid expectation that roles are at risk. Additionally it reflects the onerous nature of property lease provisions (net of any sub-letting opportunity) on a discounted basis, where due to the reduced requirement for space due to the redundancy programme there is additional surplus capacity. The provision, due to the tail of the property lease run-offs, is expected to unwind over 2 years.

CAPITA TRANSLATION AND INTERPRETING LIMITED

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

16 Share Capital

Ordinary share capital	2017	2016	2017	2016
Allotted called up and fully paid up	Numbers	Numbers	£	£
Ordinary share of £ 1 each				
As at 1 January	100	100	100	100
As at 31 December	100	100	100	100

17 Operating lease commitments

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

	Land and buildings		Others	
	2017	2016	2017	Restated 2016
	£	£	£	£
Within one year	-	89,925	9,981	16,694
Between two and five years	-	-	8,195	4,659
Total	-	89,925	18,176	21,353

Capita plc's project to prepare for adopting IFRS 16 Leases has initiated a comprehensive review of all lease arrangements across Group and how these should be disclosed within the lease commitment note.

The IFRS 16 review has included a wide-ranging search of all leases across the Group and this has highlighted certain properties that were omitted from the disclosed commitments in the prior year. The comparatives have been restated accordingly.

The effect of the restatement on the previously reported disclosures is as follows:

	Others
	£
2016 reported lease commitments	
Within one year	19,353
Between two and five years	5,478
	<u>24,831</u>
Overstatement of lease commitments	
Within one year	(2,659)
Between two and five years	(819)
	<u>(3,478)</u>
2016 restated lease commitments	
Within one year	16,694
Between two and five years	4,659
	<u>21,353</u>

This restatement of the 2016 disclosure has had no impact on the balance sheet, profit and loss or cash flows of the Company.

CAPITA TRANSLATION AND INTERPRETING LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

18 Employee benefits

The pension charge for the defined contribution pension schemes for the year is £ 128,252 (2016: £ 130,188).

19 Employees

The average monthly number of employees (including non-executive directors) were:

	2017 Number	2016 Number
Operations	78	76
Sales	28	32
Administration	31	31
	<u>137</u>	<u>139</u>

Their aggregate remuneration comprised:

Employment costs	2017 £	2016 £
Wages and salaries	3,975,007	4,144,172
Social security costs	408,837	417,314
Pension costs	128,252	130,188
Share based payments	-	(13,014)
	<u>4,512,096</u>	<u>4,678,660</u>

20 Director's remuneration

	2017 £	2016 £
Remuneration for qualifying services	28,368	155,911
Company pension contributions to defined contribution schemes	3,325	-
	<u>31,693</u>	<u>155,911</u>

One director was paid by the Company (2016: 1). The other directors have not provided qualifying services to the Company and are paid by other companies within the Capita Group. Such remuneration has not been allocated to the Company.

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 1 (2016 - nil). The number of directors who exercised share options during the year was nil (2016 - nil).

In addition to the above, the directors of the Company were reimbursed for the expenses incurred by them whilst performing business responsibilities.

CAPITA TRANSLATION AND INTERPRETING LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

21 Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

			£
Nature of Transaction	Name of Company	Year	Fellow Subsidiaries
Sales of Goods	Axelos Limited	31 December 2017	32,775
		31 December 2016	-
	Fera Science Limited	31 December 2017	3,212
		31 December 2016	-
	Total	31 December 2017	35,987
		31 December 2016	-

Nature of Transaction	Name of Company	Year	Fellow Subsidiaries
Trade Receivables	Axelos Limited	31 December 2017	32,775
		31 December 2016	-
	Fera Science Limited	31 December 2017	3,212
		31 December 2016	-
	Total	31 December 2017	35,987
		31 December 2016	-

Terms and conditions of transactions with related parties

All transactions were undertaken at normal market prices.

22 Post balance sheet events

There are no significant events which have occurred after the reporting period.

23 Controlling Party

The company's controlling parent undertaking is Capita Holdings Limited, a company incorporated in England and Wales

The company's ultimate parent undertaking is Capita plc, a company incorporated in England and Wales. The financial statements of Capita plc are available from the registered office at 30 Berners Street, London, United Kingdom, W1T3LR.

CAPITA TRANSLATION AND INTERPRETING LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

24 Reconciliation of 2016

Income statement restatement for the year ended 31 December 2016

Schedule I (FRS 101)	Foot notes	2016 £	Reclass from FRS to IAS	2016 (IAS Format)	2016 £
Turnover		30,803,716		- Revenue	30,803,716
Cost of sales		(23,540,469)		- Cost of sales	(23,540,469)
Gross profit		7,263,247		- Gross profit	7,263,247
Administrative expenses	A	(5,043,770)	57,188	Administrative expenses	(4,986,582)
Other operating income	A	57,188	(57,188)		
Operating profit		2,276,665		- Operating profit	2,276,665
Interest payable and similar charges		(351)		- Finance Cost	(351)
Profit before taxation		2,276,314		- Profit/loss before tax	2,276,314
Tax on profit on ordinary activities		(407,452)		- Income tax expense	(407,452)
Profit and comprehensive income for the financial year		1,868,862		Total comprehensive income - for the year	1,868,862

Foot note:

Note A: The other operating income has been merged with administrative expenses.

CAPITA TRANSLATION AND INTERPRETING LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

24 Reconciliation of 2016 (continued)

Balance sheet restatement as on 31 December 2016

Schedule 1 (FRS 101)	Foot notes	2016 £	Reclass from FRS to IAS	2016(New Format) 2016 £
Fixed assets				Non-current assets
Tangible fixed assets		270,252	-	Property, plant and equipment 270,252
Intangible fixed assets		289,586	-	Intangible assets 289,586
Investments		1,148,947	-	Financial assets 1,148,947
	A	-	55,109	Deferred tax 55,109
		<u>1,708,784</u>	<u>55,109</u>	<u>1,763,894</u>
Current assets				Current assets
Debtors	A	3,047,970	(55,109)	Trade and other receivables 2,992,860
Cash at bank and in hand		410,805	-	Cash 410,805
		<u>5,167,559</u>	<u>-</u>	<u>5,167,559</u>
Total assets				Total assets
				Current liabilities
Creditors: amounts falling due within one year	B	9,484,694	(414,958)	Trade and other payables 9,069,736
	B			Deferred income 78,680
			336,278	Income tax payable 336,278
			98,451	Provisions 98,451
Net current assets		<u>9,484,694</u>	<u>19,771</u>	<u>9,583,145</u>
Total assets less current liabilities		<u>(4,317,135)</u>	<u>(19,771)</u>	<u>(4,415,586)</u>
				Non-current liabilities
				Total liabilities
Total Provision for liabilities		(98,451)	(98,451)	9,583,145
		<u>(4,415,586)</u>	<u>78,680</u>	<u>(4,415,586)</u>
Capital and reserves				Capital and reserves
Called up share capital		100	-	Issued share capital 100
Share premium account		5,910	-	Share premium 5,910
Other reserves		8	-	Capital redemption reserve 8
Profit and loss account		(4,421,604)	-	Retained earnings (4,421,604)
Shareholders' funds		<u>(4,415,586)</u>	<u>-</u>	<u>(4,415,586)</u>
				Total equity
				<u>(4,415,586)</u>

Foot note:

Note A : Deferred tax assets which was earlier classified under the heading " Debtors" is now shown separately on the face of balance sheet. Debtors less than one year are classified under current-trade and other receivables and more than one year are classified as non-current trade and other receivables

Note B : Creditors: Amounts falling due within one year included income tax payable. This is now separately shown on the face of balance sheet.