

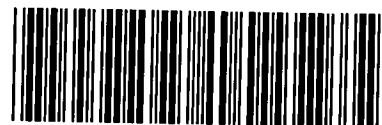
Registered number: 06534480

ALPHASIGHTS LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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COMPANIES HOUSE

ALPHASIGHTS LTD

COMPANY INFORMATION

Directors

Andrew Heath
Max Cartellieri
Sebastian Wossagk

Registered number

06534480

Registered office

Thames Court 3rd Floor
1 Queenhithe
London
EC4V 3DX

Independent auditors

Gerald Edelman
Chartered Accountants
Statutory Auditor
73 Cornhill
London
EC3V 3QQ

ALPHASIGHTS LTD

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ALPHASIGHTS LTD

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their strategic report for the year ended 31 December 2017.

Business review

The group saw continued growth for the year to 31 December 2017. The company appeared for the fifth consecutive year on the Fast Track 100 league table, placing as the eighty-first (2016: forty-first) fastest growing company in UK on the Sunday Times Fast Track 100 index published in December 2017.

Principal activity

The principal activity of the group is the provision of business information services to corporate clients.

Results and performance

The results of the group for the year, as set out on page 8, show a 21% increase in turnover year on year, owing to growth of existing clients as well as acquisition of new clients.

During the year, the group opened an office in Hamburg, Germany and continued its sustained investment programme in office and related infrastructure in Europe, the Americas, the Middle East and Asia. These investments adversely affected the group's profitability in the year. Going forward, group profitability is expected to improve as the group's growing operations more optimally match the scale of the infrastructure.

Principal risks and uncertainties

Commercial risk

Continued commercial success will depend on the company's ability to add clients and expand its footprint amongst its existing client base, while maintaining the quality and standards in execution.

Foreign exchange risk

The company executes business denominated in currencies other than its reporting currency, and is thus exposed to risks related to movements in exchange rates. While the company is hedged to a degree owing to costs incurred in the invoicing currencies, a net exposure remains to the movement in currencies against the reporting currency.

Credit risk

The company provides credit to clients and therefore assumes credit risk with regards to non-payment of invoices issued to clients or general client default. This is mitigated by the composition and quality of the company's client base.

Financial key performance indicators

The group's key financial performance indicators are turnover and profit which are set out on page 8.

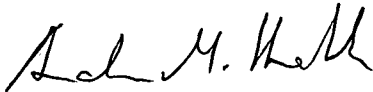
ALPHASIGHTS LTD

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Future developments

The company will continue to invest in its people and its relationships with clients.

This report was approved by the board and signed on its behalf.



.....
Andrew Heath
Director

Date: 26 March 2018



.....
Max Cartellieri
Director

ALPHASIGHTS LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

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

Results and dividends

The profit for the year, after taxation, amounted to £16,874,737 (2016 - £17,788,282).

Directors

The Directors who served during the year were:

Andrew Heath
Max Cartellieri
Sebastian Wossagk

Directors' responsibilities statement

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Group's financial statements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ALPHASIGHTS LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

Going concern

The financial statements show growing profitability for both the company and the group. Based on financial forecasts and associated expected future cash flows, the directors reasonably expect the group to remain in a position to continue operations over the foreseeable future. Accordingly, the financial statements for the year ended 31 December 2017 have been prepared on a going concern basis, notwithstanding the fact that, upon consolidation only, total liabilities for the group exceed total assets.

Total assets exceed total liabilities for the company.

Auditors

Under section 487(2) of the Companies Act 2006, Gerald Edelman will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

This report was approved by the board and signed on its behalf.



.....
Andrew Heath
Director

Date: 26 March 2018



.....
Max Cartellieri
Director

Date: 26 March 2018

ALPHASIGHTS LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALPHASIGHTS LTD

Opinion

We have audited the financial statements of AlphaSights Ltd (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2017, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2017 and of the Group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

ALPHASIGHTS LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALPHASIGHTS LTD (CONTINUED)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

ALPHASIGHTS LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALPHASIGHTS LTD (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement 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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the parent 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 the Directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

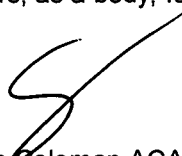
Auditors' responsibilities for the audit of the financial statements

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 an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

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 Auditors' 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.



Stephen Coleman ACA (Senior Statutory Auditor)

for and on behalf of
Gerald Edelman

Chartered Accountants
Statutory Auditor

73 Cornhill
London
EC3V 3QQ

26 March 2018

ALPHASIGHTS LTD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Turnover		80,433,968	66,523,792
Cost of sales		(43,239,598)	(34,381,816)
Gross profit		37,194,370	32,141,976
Administrative expenses		(16,395,536)	(9,297,042)
Operating profit	4	20,798,834	22,844,934
Interest receivable and similar income	7	15,282	1,355
Interest payable and expenses	8	(944,965)	(106,584)
Profit before taxation		19,869,151	22,739,705
Tax on profit	9	(2,994,414)	(4,951,423)
Profit for the financial year		16,874,737	17,788,282
Currency translation differences		(312,646)	205,711
Movement in share options reserve		29,521	343,781
Release of deferred tax on excess depreciation charge		368,205	283,233
Other comprehensive income for the year		85,080	832,725
Total comprehensive income for the year		16,959,817	18,621,007

ALPHASIGHTS LTD
REGISTERED NUMBER: 06534480

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	12	11,872,072	12,379,962
Tangible assets	13	9,041,965	2,236,320
		<u>20,914,037</u>	<u>14,616,282</u>
Current assets			
Debtors: amounts falling due within one year	15	12,845,284	15,285,875
Cash at bank and in hand	16	8,569,844	10,413,436
		<u>21,415,128</u>	<u>25,699,311</u>
Creditors: amounts falling due within one year	17	(25,378,503)	(23,448,083)
Net current (liabilities)/assets		<u>(3,963,375)</u>	<u>2,251,228</u>
Total assets less current liabilities		<u>16,950,662</u>	<u>16,867,510</u>
Creditors: amounts falling due after more than one year	18	(28,065,235)	(31,750,000)
Provisions for liabilities			
Deferred taxation	21	(1,185,175)	(1,177,105)
		<u>(1,185,175)</u>	<u>(1,177,105)</u>
Net liabilities		<u>(12,299,748)</u>	<u>(16,059,595)</u>
Capital and reserves			
Called up share capital	22	364,892	382,030
Capital redemption reserve	23	175,967	158,829
Foreign exchange reserve	23	(125,870)	186,776
Share options reserve	23	741,436	711,915
Profit and loss account	23	(13,456,173)	(17,499,145)
		<u>(12,299,748)</u>	<u>(16,059,595)</u>

ALPHASIGHTS LTD
REGISTERED NUMBER: 06534480

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2017

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 March 2018.



.....
Andrew Heath
Director

The notes on pages 19 to 39 form part of these financial statements.



.....
Max Cartellieri
Director

ALPHASIGHTS LTD
REGISTERED NUMBER: 06534480

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	12	11,872,072	12,379,962
Tangible assets	13	1,425,694	1,801,550
Investments	14	26,388,228	26,367,000
		<u>39,685,994</u>	<u>40,548,512</u>
Current assets			
Debtors: amounts falling due within one year	15	14,790,561	15,009,472
Cash at bank and in hand	16	7,867,641	8,623,063
		<u>22,658,202</u>	<u>23,632,535</u>
Creditors: amounts falling due within one year	17	(23,579,224)	(23,307,109)
Net current (liabilities)/assets		<u>(921,022)</u>	<u>325,426</u>
Total assets less current liabilities		<u>38,764,972</u>	<u>40,873,938</u>
Creditors: amounts falling due after more than one year	18	(24,208,511)	(31,750,000)
Provisions for liabilities			
Deferred taxation	21	(1,185,175)	(1,177,105)
		<u>(1,185,175)</u>	<u>(1,177,105)</u>
Net assets		<u>13,371,286</u>	<u>7,946,833</u>
Capital and reserves			
Called up share capital	22	364,892	382,030
Capital redemption reserve	23	175,967	158,829
Share options reserve	23	741,436	711,915
Profit and loss account	23	12,088,991	6,694,059
		<u>13,371,286</u>	<u>7,946,833</u>

ALPHASIGHTS LTD
REGISTERED NUMBER: 06534480

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2017

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 March 2018.



.....
Andrew Heath
Director



.....
Max Cartellieri
Director

The notes on pages 19 to 39 form part of these financial statements.

ALPHASIGHTS LTD

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

	Called up share capital	Capital redemption reserve	Foreign exchange reserve	Share options reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 January 2017	382,029	158,829	186,776	711,915	(17,499,145)	(16,059,596)
Total comprehensive income for the year						
Profit for the year	-	-	-	-	16,874,737	16,874,737
Currency translation differences	-	-	(312,646)	-	-	(312,646)
Movement in share options reserve	-	-	-	29,521	-	29,521
Transfer of deferred tax on excess depreciation	-	-	-	-	368,205	368,205
Purchase of own shares	-	17,138	-	-	(13,199,970)	(13,182,832)
Shares cancelled during the year	(17,138)	-	-	-	-	(17,138)
At 31 December 2017	364,891	175,967	(125,870)	741,436	(13,456,173)	(12,299,749)

ALPHASIGHTS LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Capital redemption reserve	Fair value reserve	Foreign exchange reserve	Share options reserve	Profit and loss account	Total equity
	£	£	£	£	£	£	£
At 1 January 2016	495,363	45,496	2,708,518	(18,935)	368,134	15,948,012	19,546,588
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	17,788,282	17,788,282
Currency translation differences	-	-	-	205,711	-	-	205,711
Movement in share options reserve	-	-	-	-	343,781	-	343,781
Transfer of excess depreciation net of deferred tax	-	-	(803,169)	-	-	1,086,402	283,233
Dividends: Equity capital	-	-	-	-	-	(2,972,178)	(2,972,178)
Purchase of own shares	-	113,333	-	-	-	(51,255,013)	(51,141,680)
Bonus shares allotted from fair value reserve	28,235,688	-	-	-	-	-	28,235,688
Shares cancelled during the year	(28,349,022)	-	-	-	-	-	(28,349,022)
Capitalisation of fair value reserve	-	-	(1,905,349)	-	-	-	(1,905,349)
Capitalisation of fair value reserve	-	-	-	-	-	1,905,350	1,905,350
At 31 December 2016	382,029	158,829	-	186,776	711,915	(17,499,145)	(16,059,596)

The notes on pages 19 to 39 form part of these financial statements.

ALPHASIGHTS LTD

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

	Called up share capital	Capital redemption reserve	Share options reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2017	382,029	158,829	711,915	6,694,059	7,946,832
Total comprehensive income for the year					
Profit for the year	-	-	-	18,226,697	18,226,697
Movement in share options reserve	-	-	29,521	-	29,521
Transfer of deferred tax on excess depreciation	-	-	-	368,205	368,205
Purchase of own shares	-	17,138	-	(13,199,970)	(13,182,832)
Shares cancelled during the year	(17,138)	-	-	-	(17,138)
At 31 December 2017	364,891	175,967	741,436	12,088,991	13,371,285

ALPHASIGHTS LTD

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Capital redemption reserve	Fair value reserve	Share options reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 January 2016	495,363	45,496	15,338,877	368,134	14,840,849	31,088,719
Total comprehensive income for the year						
Profit for the year	-	-	-	-	16,758,311	16,758,311
Movement in share options reserve	-	-	-	343,781	-	343,781
Transfer of excess depreciation net of deferred tax	-	-	(803,169)	-	1,086,402	283,233
Dividends: Equity capital	-	-	-	-	(2,972,178)	(2,972,178)
Purchase of own shares	-	113,333	-	-	(51,255,013)	(51,141,680)
Bonus shares allotted from revaluation reserve	28,235,688	-	-	-	-	28,235,688
Shares cancelled during the year	(28,349,022)	-	-	-	-	(28,349,022)
Revaluation reserves allotment	-	-	(28,235,688)	-	-	(28,235,688)
Capital reduction	-	-	-	-	28,235,688	28,235,688
Surplus on fair valuation of subsidiaries	-	-	13,699,980	-	-	13,699,980
At 31 December 2016	382,029	158,829	-	711,915	6,694,059	7,946,832

The notes on pages 19 to 39 form part of these financial statements.

ALPHASIGHTS LTD

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	16,874,737	17,788,282
Adjustments for:		
Amortisation of intangible assets	1,883,918	1,701,608
Depreciation of tangible assets	1,374,938	322,099
Loss on disposal of tangible assets	(659)	20,633
Interest paid	944,965	106,584
Interest received	(15,282)	(1,355)
Taxation charge	2,994,414	4,951,423
Decrease/(increase) in debtors	2,804,338	(6,500,276)
Increase in creditors	8,717,053	4,857,999
Corporation tax (paid)	(5,203,290)	(3,377,071)
Share options charge	29,521	343,781
Net cash generated from operating activities	30,404,653	20,213,707
Cash flows from investing activities		
Purchase of intangible fixed assets	(1,376,028)	(1,061,987)
Purchase of tangible fixed assets	(8,189,674)	(2,159,450)
Sale of tangible fixed assets	1,250	2,477
Interest received	15,282	1,355
Net cash from investing activities	(9,549,170)	(3,217,605)
Cash flows from financing activities		
Purchase of ordinary shares	(13,199,970)	(51,255,013)
New secured loans	-	40,000,000
Repayment of loans	(8,250,000)	-
Dividends paid	-	(2,972,178)
Interest paid	(944,965)	(106,584)
Net effect of foreign exchange differences	(304,140)	170,153
Net cash used in financing activities	(22,699,075)	(14,163,622)

ALPHASIGHTS LTD

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Net (decrease)/increase in cash and cash equivalents	(1,843,592)	2,832,480
Cash and cash equivalents at beginning of year	10,413,436	7,580,956
Cash and cash equivalents at the end of year	<u>8,569,844</u>	<u>10,413,436</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>8,569,844</u>	<u>10,413,436</u>
	<u>8,569,844</u>	<u>10,413,436</u>

ALPHASIGHTS LTD

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

1. Accounting policies

1.1 General information

AlphaSights Ltd is a company incorporated in England and Wales as a private limited liability company. The address of its registered office is:

Thames Court, 3rd floor
1 Queenhithe
London
EC4V 3DX

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of subsidiaries and the revaluation of intangible assets which were adopted as deemed cost on transition, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Company's accounting policies (see note 2).

1.3 Basis of consolidation

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the formed entity's / acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the formation / acquisition date. The results of the formed entity's / acquiree's operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax. Turnover is recognised at the point when a unit of service is satisfactorily completed. Any contracted but unused units of service that expire is recognised as turnover when the Group has no further performance obligations.

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.5 Intangible assets

Previously revalued intangibles are brought in at deemed cost representing the net book value of those revalued intangible assets as at the date of transition. Subsequently, intangible assets are recognised at cost. After recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Software development cost is amortised on a straight line basis over 10 years.

1.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined as the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- straight line over the life of lease
Computer equipment	- 33% straight line
Fixtures and fittings	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.7 Impairment of fixed assets

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

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

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

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

1.8 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised in the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

1.9 Valuation of investments

Investments in subsidiaries are carried at fair value. Any fair value surplus is recorded through the company's other comprehensive income.

1.10 Debtors

Short term debtors are measured at transaction price, less any impairment.

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

1.12 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.14 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

All foreign exchange gains and losses are presented in the Profit and Loss Account within operating profit.

On consolidation, the results of overseas operations are translated into sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

1.15 Finance costs

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

1.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

1.17 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Profit and Loss Account over the vesting period. Such instruments are measured at fair value at the time of grant taking into account the terms and conditions upon which the instruments are granted.

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.18 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

1.19 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

1.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

ALPHASIGHTS LTD

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

2. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Intangible assets

Critical estimates are made by the directors in determining amortization rates for intangible assets and their residual values.

Tangible assets

Critical estimates are made by the directors in determining depreciation rates for tangible assets and their residual values.

Debtors

Critical estimates are made by the directors in determining the recoverable amount of impaired receivables.

Applying the Company's accounting policies

In the process of applying the Company's accounting policies, management has made judgements in determining whether assets are impaired or not.

3. Analysis of turnover

The total turnover of the Group for the year has been derived from its principal activity invoiced from the United Kingdom.

4. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	1,374,938	322,219
Amortisation of intangible assets	1,883,918	1,701,608
Fees payable to the Group's auditor and its associates for the audit of the Company's annual financial statements	24,353	20,020
- The audit of the Group's subsidiaries pursuant to legislation	17,500	15,000
Exchange differences	554,409	(1,404,323)
Other operating lease rentals	4,608,049	2,640,375
Share based payment	29,521	343,781
Defined contribution pension cost	360,123	123,536

ALPHASIGHTS LTD

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

5. Employees

Staff costs, including Directors' remuneration, were as follows:

	Group 2017 £	<i>Group 2016 £</i>	Company 2017 £	<i>Company 2016 £</i>
Wages and salaries	21,971,643	16,469,161	7,357,498	5,845,676
Social security costs	1,915,594	1,462,195	825,164	651,971
Cost of defined contribution scheme	360,123	123,536	64,976	39,855
	<u>24,247,360</u>	<u>18,054,892</u>	<u>8,247,638</u>	<u>6,537,502</u>

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

	2017 No.	<i>2016 No.</i>
Commercial and administration	<u>407</u>	<u>320</u>

6. Directors' remuneration

	2017 £	<i>2016 £</i>
Directors' emoluments	942,763	799,946
Company contributions to defined contribution pension schemes	13,650	9,900
	<u>956,413</u>	<u>809,846</u>

During the year retirement benefits were accruing to 1 Director (2016: 1) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £482,444 (2016: £417,946).

ALPHASIGHTS LTD

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

7. Interest receivable

	2017 £	2016 £
Other interest receivable	15,282	1,355
	15,282	1,355

8. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	944,965	106,584
	944,965	106,584

ALPHASIGHTS LTD

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

9. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	2,325,921	4,025,124
	<u>2,325,921</u>	<u>4,025,124</u>
Foreign tax		
Foreign tax on income for the year	292,220	995,055
	<u>292,220</u>	<u>995,055</u>
Total current tax	<u>2,618,141</u>	<u>5,020,179</u>
Deferred tax		
Origination and reversal of timing differences	376,273	(68,756)
Total deferred tax	<u>376,273</u>	<u>(68,756)</u>
Taxation on profit on ordinary activities	<u>2,994,414</u>	<u>4,951,423</u>

ALPHASIGHTS LTD

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

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016: *higher than*) the standard rate of corporation tax in the UK of 19% (2016: 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>19,869,151</u>	<u>22,739,705</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2016: 20%)	3,775,139	4,547,941
Effects of:		
Expenses not deductible for tax purposes	27,392	85,855
Depreciation for year in excess of capital allowances	404,204	291,096
Research and development tax credit	(609,128)	(488,514)
Chargeable disposals	2,586	4,604
Foreign tax charge	292,220	995,056
Origination and reversal of timing differences	376,273	(68,756)
Tax deduction arising from exercise of employee options	(1,530,053)	-
Other differences leading to an increase (decrease) in the tax charge	255,781	(415,859)
Total tax charge for the year	<u><u>2,994,414</u></u>	<u><u>4,951,423</u></u>

10. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £18,226,696 (2016 - £16,758,311).

11. Dividends

	2017 £	2016 £
Ordinary shares	-	2,972,178
	<u>-</u>	<u>2,972,178</u>

ALPHASIGHTS LTD

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

12. Intangible assets

Group

Software
development
cost
£

Cost

At 1 January 2017

16,460,313

Additions

1,376,028

At 31 December 2017

17,836,341

Amortisation

At 1 January 2017

4,080,351

Charge for the year

1,883,918

At 31 December 2017

5,964,269

Net book value

At 31 December 2017

11,872,072

At 31 December 2016

12,379,962

ALPHASIGHTS LTD

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

12. Intangible assets (continued)

Company

	Software development cost £
Cost	
At 1 January 2017	16,460,313
Additions	1,376,028
At 31 December 2017	17,836,341
Amortisation	
At 1 January 2017	4,080,351
Charge for the year	1,883,918
At 31 December 2017	5,964,269
Net book value	
At 31 December 2017	11,872,072
At 31 December 2016	12,379,962

ALPHASIGHTS LTD

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

13. Tangible fixed assets

Group

	Short-term leasehold property £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2017	714,125	646,749	1,691,225	3,052,099
Additions	6,667,198	892,918	629,557	8,189,673
Disposals	(99,304)	(788)	-	(100,092)
Exchange adjustments	(26,056)	(44,640)	(29,220)	(99,916)
At 31 December 2017	7,255,963	1,494,239	2,291,562	11,041,764
At 1 January 2017	159,367	430,373	226,040	815,780
Charge for the year on owned assets	653,968	247,073	473,898	1,374,939
Disposals	(99,304)	(197)	-	(99,501)
Exchange adjustments	(34,496)	(37,636)	(19,287)	(91,419)
At 31 December 2017	679,535	639,613	680,651	1,999,799
Net book value				
At 31 December 2017	6,576,428	854,626	1,610,911	9,041,965
At 31 December 2016	554,759	216,376	1,465,185	2,236,320

ALPHASIGHTS LTD

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

13. Tangible fixed assets (continued)

Company

	Short-term leasehold property £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2017	423,377	131,547	1,356,085	1,911,009
Additions	-	63,497	14,509	78,006
At 31 December 2017	423,377	195,044	1,370,594	1,989,015
Depreciation				
At 1 January 2017	6,048	64,810	38,601	109,459
Charge for the year on owned assets	72,579	40,899	340,384	453,862
At 31 December 2017	78,627	105,709	378,985	563,321
Net book value				
At 31 December 2017	344,750	89,335	991,609	1,425,694
At 31 December 2016	417,329	66,737	1,317,484	1,801,550

ALPHASIGHTS LTD

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

14. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
AlphaSights Inc.	Ordinary	100 %	Business information services
AlphaSights Limited	Ordinary	100 %	Business information services
AlphaSights FZ-LLC	Ordinary	100 %	Business information services
AlphaSights GmbH	Ordinary	100 %	Business information services

Company

Investments in subsidiary companies £

Valuation

At 1 January 2017

26,367,000

Additions

21,228

At 31 December 2017

26,388,228

Net book value

At 31 December 2017

26,388,228

At 31 December 2016

26,367,000

ALPHASIGHTS LTD

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

15. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	10,182,993	11,067,539	10,182,993	11,067,539
Amounts owed by group undertakings	-	-	2,898,349	319,438
Other debtors	665,594	2,544,468	16,200	2,354,552
Prepayments and accrued income	1,996,697	1,673,868	1,693,019	1,267,943
	12,845,284	15,285,875	14,790,561	15,009,472

16. Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash at bank and in hand	8,569,844	10,413,436	7,867,641	8,623,063
	8,569,844	10,413,436	7,867,641	8,623,063

17. Creditors: Amounts falling due within one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Bank loans	8,250,000	8,250,000	8,250,000	8,250,000
Trade creditors	1,478,304	1,418,335	1,221,051	1,252,100
Amounts owed to group undertakings	-	-	147,994	1,757,623
Corporation tax	1,168,485	3,389,888	1,168,485	2,624,801
Other taxation and social security	643,335	452,253	620,886	438,572
Other creditors	133,818	126,904	13,391	1,883
Accruals and deferred income	13,704,561	9,810,702	12,157,417	8,982,130
	25,378,503	23,448,082	23,579,224	23,307,109

ALPHASIGHTS LTD

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

18. Creditors: Amounts falling due after more than one year

	Group 2017 £	<i>Group 2016 £</i>	Company 2017 £	<i>Company 2016 £</i>
Bank loans	23,500,000	31,750,000	23,500,000	31,750,000
Other creditors	4,565,235	-	708,511	-
	<u>28,065,235</u>	<u>31,750,000</u>	<u>24,208,511</u>	<u>31,750,000</u>

19. Loans

The bank loan was secured by a fixed and floating charge over the assets of the Company.

	Group 2017 £	<i>Group 2016 £</i>	Company 2017 £	<i>Company 2016 £</i>
Amounts falling due within one year				
Bank loans	8,250,000	8,250,000	8,250,000	8,250,000
	<u>8,250,000</u>	<u>8,250,000</u>	<u>8,250,000</u>	<u>8,250,000</u>
Amounts falling due 2-5 years				
Bank loans	23,500,000	31,750,000	23,500,000	31,750,000
	<u>23,500,000</u>	<u>31,750,000</u>	<u>23,500,000</u>	<u>31,750,000</u>
	<u>31,750,000</u>	<u>40,000,000</u>	<u>31,750,000</u>	<u>40,000,000</u>

ALPHASIGHTS LTD

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

20. Financial instruments

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	11,706,358	14,224,925	13,955,313	13,955,313
	<u>11,706,358</u>	<u>14,224,925</u>	<u>13,955,313</u>	<u>13,955,313</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(40,637,244)	(43,511,303)	(35,003,696)	(44,149,292)
	<u>(40,637,244)</u>	<u>(43,511,303)</u>	<u>(35,003,696)</u>	<u>(44,149,292)</u>

21. Deferred taxation

Group

	2017 £	2016 £
At beginning of year	(1,177,105)	(1,529,094)
Charged to the comprehensive income	(376,272)	68,756
Charged to other comprehensive income	368,201	283,233
At end of year	<u>(1,185,176)</u>	<u>(1,177,105)</u>

ALPHASIGHTS LTD

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

21. Deferred taxation (continued)

Company

	2017 £	2016 £
At beginning of year	(1,177,105)	(1,529,094)
Charged to the comprehensive income	(376,272)	68,756
Charged to other comprehensive income	368,202	283,233
At end of year	(1,185,175)	(1,177,105)

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Origination and reversal of timing differences	(1,185,175)	(1,177,105)	(1,185,175)	1,177,105
	<u>(1,185,175)</u>	<u>(1,177,105)</u>	<u>(1,185,175)</u>	<u>1,177,105</u>

22. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
7,297,839 (2016: 7,640,592) Ordinary shares of £0.05 each	364,892	382,030

During the year, the company purchased 342,753 Ordinary Shares of £0.05 each in the capital of the company for a consideration of £38.32 per share.

Ordinary shares rank pari passu in terms of voting rights or rights to receive any distribution of profits or proceeds of capital.

23. Reserves

The reserves for the Group and Company have been fully analysed in the Consolidated Statement of Changes in Equity and Company Statement of Changes in Equity.

ALPHASIGHTS LTD

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

24. Share based payments

At the Balance Sheet date, the aggregate of the estimated fair value of vesting share options resulted in a charge of £29,521 (2016: £343,781) in the Statement of Comprehensive Income.

Fair value is determined by adjusting the arithmetic average of an earnings-based and yield-based valuation, based on management's best estimates.

25. Pension commitments

The Company operates a defined contributions 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 £64,976 (2016: £39,855).

Contributions totalling £34,797 (2016: £15,600) were payable to the fund at the reporting date.

26. Commitments under operating leases

At 31 December 2017 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Not later than 1 year	4,412,092	2,241,188	1,135,497	542,305
Later than 1 year and not later than 5 years	14,611,935	15,868,029	4,261,663	4,542,241
Later than 5 years	-	3,397,343	-	854,919
	19,024,027	21,506,560	5,397,160	5,939,465

27. Related party transactions

The company made profit distributions to Harley Street Nominees Limited in the amount of £nil (2016: 2,311,833) which included distributions to the company's directors' family interests.

The company has taken advantage of the exemption available in section 33 of FRS 102 "Related Party Disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking of the group.