

Company Registration No. 07284675 (England and Wales)

**6CATS UK LTD.**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**



**6CATS UK LTD.**

**COMPANY INFORMATION**

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<b>Director</b>	M Reilly
<b>Company number</b>	07284675
<b>Registered office</b>	1-3 Sun Street 1st Floor London EC2A 2EP
<b>Auditor</b>	M J Bushell Ltd 8 High Street Brentwood Essex CM14 4AB

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**6CATS UK LTD.**

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**6CATS UK LTD.****STRATEGIC REPORT****FOR THE YEAR ENDED 31 DECEMBER 2017**

The director presents the strategic report for the year ended 31 December 2017.

**Fair review of the business**

The principal activity of the company during the year was to provide umbrella company services.

The results for the year and the financial position of the company are shown in the annexed financial statements.

The company's key financial and other performance indicators during the year were as follows:

	2017	2016
	£	£
Turnover	20,899,304	18,512,496
Average number of employees	515	480

Contractor volumes and fees remained stable as expected.

**Principal risks and uncertainties**

The principal risk and uncertainty faced by the company is the regulatory risk relating to changes to employment and tax legislation.

The company is committed to responding positively and proactively to changes in legislation, although changes could adversely impact the resources within the business.

Credit risk is the risk that customers or counterparties will not be able to meet their obligations to the company. Policies are aimed at minimising such risk and possible losses.

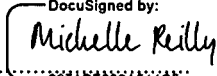
Liquidity risk is the risk that the company will be unable to meet its financial obligations as they fall due. The company ensures that sufficient liquid assets are available on a day to day basis to meet cash flow requirements.

**Development and performance**

The company's strategic objectives are:

- Monitor and adapt product offering in line with movements in the UK contractor industry
- Continue to streamline processes
- Continue to control staff costs
- Continue to review and minimise supplier costs
- Continue with PR and marketing strategy

On behalf of the board

DocuSigned by:  
  
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 M Reilly  
 Director  
 09 August 2018

## **6CATS UK LTD.**

### **DIRECTOR'S REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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The director presents her annual report and financial statements for the year ended 31 December 2017.

#### **Principal activities**

The principal activity of the company during the year was to provide umbrella company services.

#### **Director**

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

M Reilly

#### **Results and dividends**

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

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

#### **Disabled persons**

It is the policy of the company that persons with a disability should receive full and equal consideration for all job vacancies for which they are suitable applicants and to provide training, career development and promotion to employees with a disability. Where existing employees become disabled it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide help with any necessary rehabilitation and training.

#### **Employee involvement**

The company endeavours to ensure all staff are informed of matters impacting the progress of the company and that are of interest to them as employees.

Information is communicated to all employees via email, announcements and staff meetings. Regular meetings are held between management and employees to allow a free flow of information and ideas.

#### **Auditor**

The auditor, M J Bushell Ltd, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Strategic report**

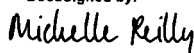
The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of information that would have been included in the business review and principal risks and uncertainties.

#### **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 of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

DocuSigned by:



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M Reilly

**Director**

09 August 2018

Date: .....

## **6CATS UK LTD.**

### **DIRECTOR'S RESPONSIBILITIES STATEMENT**

#### ***FOR THE YEAR ENDED 31 DECEMBER 2017***

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The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless she is 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 director is 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 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 company will continue in business.

The director is 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. She is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## 6CATS UK LTD.

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF 6CATS UK LTD.

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#### Opinion

We have audited the financial statements of 6CATS UK Ltd. (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, 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 FRS 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 company's affairs as at 31 December 2017 and of its loss 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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.

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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

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

## 6CATS UK LTD.

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF 6CATS UK LTD.

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#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Director's Report.

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

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

#### Responsibilities of director

As explained more fully in the Director's Responsibilities Statement, the director is 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 director is responsible for 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 the director either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's 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 auditor's 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.



Ian Warwick ACA FCCA (Senior Statutory Auditor)  
for and on behalf of M J Bushell Ltd

13-8-2018

Chartered Accountants  
Statutory Auditor

8 High Street  
Brentwood  
Essex  
CM14 4AB



**6CATS UK LTD.****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	2016 £
Turnover	3	20,899,304	18,512,496
Cost of sales		(20,634,154)	(17,995,821)
<b>Gross profit</b>		<u>265,150</u>	<u>516,675</u>
Administrative expenses		(368,617)	(435,889)
<b>(Loss)/profit before taxation</b>		<u>(103,467)</u>	<u>80,786</u>
Tax on loss/profit	6	-	(17,369)
<b>(Loss)/profit for the financial year</b>		<u><u>(103,467)</u></u>	<u><u>63,417</u></u>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

**6CATS UK LTD.****BALANCE SHEET****AS AT 31 DECEMBER 2017**

	Notes	2017 £	£	2016 £	£
<b>Current assets</b>					
Debtors	8	693,757		522,256	
Cash at bank and in hand		1,340,952		1,254,348	
		<u>2,034,709</u>		<u>1,776,604</u>	
<b>Creditors: amounts falling due within one year</b>	9	(2,095,073)		(1,733,501)	
<b>Net current (liabilities)/assets</b>			<u>(60,364)</u>		<u>43,103</u>
<b>Capital and reserves</b>					
Called up share capital	11		1		1
Profit and loss reserves			(60,365)		43,102
<b>Total equity</b>			<u>(60,364)</u>		<u>43,103</u>

The financial statements were approved and signed by the director and authorised for issue on 09 August 2018

DocuSigned by:  
  
 .....267ABE833A512C5...  
 M Reilly  
 Director

**Company Registration No. 07284675**

**6CATS UK LTD.****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**


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	<b>Share capital</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 1 January 2016</b>	1	(20,315)	(20,314)
<b>Year ended 31 December 2016:</b>			
Profit and total comprehensive income for the year	-	63,417	63,417
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2016</b>	1	43,102	43,103
<b>Year ended 31 December 2017:</b>			
Loss and total comprehensive income for the year	-	(103,467)	(103,467)
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2017</b>	<u>1</u>	<u>(60,365)</u>	<u>(60,364)</u>

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**6CATS UK LTD.****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	14	103,974		20,518	
Income taxes paid		(17,370)		(8,874)	
<b>Net cash inflow from operating activities</b>		<u>86,604</u>		<u>11,644</u>	
<b>Net cash used in investing activities</b>		-		-	
<b>Net cash used in financing activities</b>		-		-	
<b>Net increase in cash and cash equivalents</b>		<u>86,604</u>		<u>11,644</u>	
Cash and cash equivalents at beginning of year		1,254,348		1,242,704	
<b>Cash and cash equivalents at end of year</b>		<u><u>1,340,952</u></u>		<u><u>1,254,348</u></u>	

## 6CATS UK LTD.

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

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#### 1 Accounting policies

##### Company information

6CATS UK Ltd. is a private company limited by shares incorporated in England and Wales. The registered office is 1-3 Sun Street, 1st Floor, London, EC2A 2EP.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The financial statements present information about the company as an individual entity.

6CATS UK Ltd. is a wholly owned subsidiary of 6CATS Compliance Ltd. and the results of 6CATS UK Ltd. are included in the consolidated financial statements of 6CATS Compliance Ltd., which are available from this company's registered office at 1-3 Sun Street, 1st Floor, London, EC2A 2EP.

##### 1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Turnover

Turnover represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due, net of value added tax.

##### 1.4 Cash at bank and in hand

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

##### 1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

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

## 6CATS UK LTD.

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

#### 1 Accounting policies

(Continued)

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

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

##### **Basic financial liabilities**

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

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

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

# 6CATS UK LTD.

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

### 1 Accounting policies

(Continued)

#### *Other financial liabilities*

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.6 Equity instruments

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

### 1.7 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

### 1.8 Taxation

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

#### *Current tax*

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

**6CATS UK LTD.****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017****1 Accounting policies****(Continued)****Deferred tax**

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

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

**1.9 Employee benefits**

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

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

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

**1.10 Retirement benefits**

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

**2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3 Turnover and other revenue**

An analysis of the company's turnover is as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by class of business</b>		
Umbrella company services	20,899,304	18,512,496



**6CATS UK LTD.****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017****3 Turnover and other revenue (Continued)**

	2017 £	2016 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	20,899,304	18,512,496

**4 Auditor's remuneration**

	2017 £	2016 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	5,750	5,750
<b>For other services</b>		
Taxation compliance services	400	400
All other non-audit services	1,600	1,600
	2,000	2,000

**5 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	2017 Number	2016 Number
Contract staff	515	480

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	18,522,968	15,603,511
Social security costs	1,823,651	1,621,512
Pension costs	121,568	68,518
	20,468,187	17,293,541

**6 Taxation**

	2017 £	2016 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	17,369

**6CATS UK LTD.****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017****6 Taxation****(Continued)**

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
(Loss)/profit before taxation	(103,467)	80,786
	<u>          </u>	<u>          </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 0% (2016: 20.00%)	-	16,157
Tax effect of expenses that are not deductible in determining taxable profit	-	1,212
	<u>          </u>	<u>          </u>
Taxation charge for the year	-	17,369
	<u>          </u>	<u>          </u>

**7 Financial instruments**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	241,269	104,938
	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	858,047	841,069
	<u>          </u>	<u>          </u>

**8 Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	161,404	17,978
Amounts owed by group undertakings	79,746	61,234
Other debtors	119	25,726
Prepayments and accrued income	452,488	417,318
	<u>          </u>	<u>          </u>
	693,757	522,256
	<u>          </u>	<u>          </u>

**6CATS UK LTD.****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017****9 Creditors: amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade creditors	31	359
Corporation tax	-	17,370
Other taxation and social security	1,237,026	875,062
Other creditors	(1,235)	-
Accruals and deferred income	859,251	840,710
	<u>2,095,073</u>	<u>1,733,501</u>

**10 Retirement benefit schemes**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>121,568</u>	<u>68,518</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

At the year end, pension contributions of £19,434 (2016 - £19,469) were owing to defined contribution schemes.

**11 Share capital**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1 Ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

**12 Related party transactions****Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	<u>-</u>	<u>-</u>

The director was remunerated for the year, and the previous year, by the company's parent company, 6CATS Compliance Ltd.. There were no other key management personnel employed by the company during the year, or the previous year.

**6CATS UK LTD.****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017****12 Related party transactions****(Continued)****Transactions with related parties**

During the year the company entered into the following transactions with related parties:

	<b>Sales</b>		<b>Management fees payable</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Entities with control, joint control or significant influence over the company	-	-	-	(42,791)
Other entities under common control	677,266	1,148,810	-	-
	<u>677,266</u>	<u>1,148,810</u>	<u>-</u>	<u>(42,791)</u>

The company has taken advantage of the exemption available in FRS 102 whereby it has not disclosed transactions with its immediate parent company or any wholly owned subsidiary undertaking within that company's group.

The following amounts were outstanding at the reporting end date:

	<b>Amounts owed to related parties</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
	<u>79,746</u>	<u>30,779</u>
	<u>-</u>	<u>30,455</u>
	<u>79,746</u>	<u>61,234</u>

	<b>Amounts owed by related parties</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Entities with control, joint control or significant influence over the company	79,746	30,779
Other entities under common control	-	30,455
	<u>79,746</u>	<u>61,234</u>

The amounts outstanding are unsecured and are payable on demand in cash.

No guarantees have been given or received.

**6CATS UK LTD.****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2017****13 Controlling party**

The company is a wholly owned subsidiary of 6CATS Compliance Ltd., a company incorporated in England and Wales.

The company's ultimate parent company is Compure Ltd, a company incorporated in England and Wales.

The ultimate controlling party is Michelle Reilly, the company's sole director.

The company is included in the consolidated financial statements of Compure Ltd.

**14 Cash generated from operations**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
(Loss)/profit for the year after tax	(103,467)	63,417
<b>Adjustments for:</b>		
Taxation charged	-	17,369
<b>Movements in working capital:</b>		
(Increase)/decrease in debtors	(171,501)	22,969
Increase/(decrease) in creditors	378,942	(83,237)
<b>Cash generated from operations</b>	<u>103,974</u>	<u>20,518</u>