

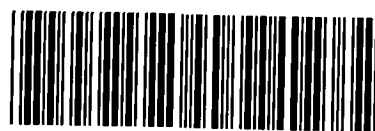
Registered number: 8336890

Citation (NBS) Limited

Report and financial statements

For the year ended 31 December 2017

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COMPANIES HOUSE

Citation (NBS) Limited

Company Information

Directors CP Morris
J Ingleby
PJ Lillico (resigned 19 April 2017)
E Wann (appointed 19 April 2017)

Registered number 8336890

Registered office Kings Court
Water Lane
Wilmslow
Cheshire
SK9 5AR

Independent auditor Ernst & Young LLP
2 Peter's Square
Manchester
M2 3EY

Citation (NBS) Limited

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Citation (NBS) Limited

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.

Principal activity

The principal activity of the company has been the provision of certification of International Standards for quality management, environmental compliance and health and safety. On 1 August 2015 the Company stopped trading and became a non-trading entity. The directors do not anticipate this to change in the future.

Results and dividends

The loss for the year, after taxation, amounted to £Nil (2016: £78,322 loss). No dividend was paid in the year (2016: Nil).

Principal risks and uncertainties

The following are the risks of the broader Group, that also impact the Company.

The pace of continued growth depends upon the group continuing to attract new clients for its services and the renewal of existing client contracts. The directors are confident the ongoing strong performance of the company clearly demonstrates its success and resilience.

The servicing of the company's growing client base requires ongoing recruitment of qualified service personnel. The company is dedicated to be a first-class employer and employing only the best.

The company is confident of meeting the challenges of attracting new business because of the size of the market, the heavy regulatory burden on small and medium sized companies, the deployment of new routes to market and the enhanced development of the service offerings using technology and new products. Additional staff will continue to be recruited to match the growth in the business, and to deliver the standards of service as recognised by the BSI under its ISO accreditation regime.

Changes in legislation have a significant impact on the company through updates to client information and the requirement to ensure that all company staff maintain their comprehensive knowledge of the regulations that could affect clients.

The directors review the company's liquidity risks annually as part of the planning process and on an ad hoc basis. The directors consider short-term requirements against available sources of funding considering forecast cash flow. The company manages liquidity risk by maintaining access to several sources of funding which are sufficient to meet anticipated funding requirements.

The company is exposed to credit risk on financial assets, such as trade and other receivables. Trade receivable exposures are managed in house and through specialist debt recovery lawyers. When the debt is deemed irrecoverable, the overdue invoices and accrued income account is written off against the underlying provision.

Directors

The directors who served during the year were:

CP Morris
J Ingleby
PJ Lillico (resigned 19 April 2017)
E Wann (appointed 19 April 2017)

Indemnity provision for directors

During the year the company had third party indemnity insurance for the directors and officers. This insurance remains in force as at the date of approving the Directors' report.

Citation (NBS) Limited

Directors' report For the year ended 31 December 2017

Disabled employees

Disabled employees are given full and fair consideration for all types of vacancy. Should an existing employee become disabled, such steps as are practical and reasonable are taken to retain him or her in employment. Where appropriate, assistance with rehabilitation and suitable training are given. Disabled persons have equal opportunities for training, career development and promotion, except insofar as such opportunities are constrained by the practical limitations of their disability.

Environmental matters

Due to the nature of the company's business, the directors believe that the environmental impact of the business is minimal. Consequently, the company has chosen not to set environmental Key Performance Indicators.

Going concern

The Group has prepared a detailed and robust forecast for the next four financial years, including P&L, balance sheet and cashflows, together with sensitivities. The directors have reviewed these sensitivities and challenged the assumptions made in the forecasts. The Group has a large proportion of long term contracts which underpin the revenue assumptions together with a customer base that is spread across different geographical areas and industries.

The individual trading entities within the Group are both profit making and cash generative, the cash generation in the current year has been diluted by planned capital expenditure and investment for future growth which is not expected to continue at the same rate for the remainder of the forecast period.

Based on these forecasts and enquiries, the directors believe that the Group 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. BCAS Consulting Limited the parent company, Citation Topco Limited has provided a letter of support for the 12-month period post signing of the financial statements

Future developments

The Group is continuing with its strategy of expanding routes to market, adding additional products to its offering and developing the next generation IT platforms for its clients.

Disclosure of information to auditor

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

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

Auditor

The auditor, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The directors have taken advantage of the small companies' exemption provided by Section 414B of the Companies Act 2006 not to provide a Strategic Report.

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

27/4/18

and signed on its behalf.



E. Wann
Director

Citation (NBS) Limited

**Directors' responsibilities statement
For the year ended 31 December 2017**

The directors are responsible for preparing the 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 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 satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Citation (NBS) Limited

Independent auditor's report to the members of Citation (NBS) Limited

Opinion

We have audited the financial statements of Citation (NBS) Limited for the year ended 31 December 2017 which comprise the Statement of comprehensive income, the Statement of Financial Position, the Statement of changes in equity and the related notes 1 to 8, 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 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 below. 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.

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 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.

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 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.

Citation (NBS) Limited

Independent auditor's report to the members of Citation (NBS) Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the 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 the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities 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, 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 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 company or to cease operations, or have no realistic alternative but to do so.

Citation (NBS) Limited

Independent auditor's report to the members of Citation (NBS) Limited (continued)

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 <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Alastair John Richard Nuttall

Alastair John Richard Nuttall (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

27 April 2018

Citation (NBS) Limited

Statement of comprehensive Income
For the year ended 31 December 2017

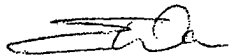
	Note	2017 £	2016 £
Administrative expenses	2	-	(78,322)
Operating loss		-	(78,322)
Tax on loss	3	-	-
Loss for the year		-	(78,322)
Other comprehensive income for the year			
Other comprehensive income		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		-	(78,322)

Citation (NBS) Limited
Registered number:8336890

Statement of financial position
As at 31 December 2017

	2017 £	2016 £
Fixed assets		
Intangible fixed assets	6 -	1,253,159
	-	1,253,159
Debtors: amounts falling due within one year	50,541	-
Creditors: amounts falling due within one year	7 -	(1,202,618)
Net current assets/(liabilities)	50,541	(1,202,618)
Total assets less current liabilities	50,541	50,541
Net assets	50,541	50,541
Capital and reserves		
Called up share capital	9 1	1
Profit and loss account	50,540	50,540
Shareholder's (deficit)/funds	50,541	50,541

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27/4/18



E. Wann
Director

The notes on pages 10 to 16 form part of these financial statements.

Citation (NBS) Limited

Statement of changes in equity
For the year ended 31 December 2017

	Called up Share capital £	Profit and loss account £	Total Equity £
At 1 January 2017	1	50,540	50,541
Comprehensive income for the year			
Loss for the year	-	-	-
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	-	-
At 31 December 2017	<u>1</u>	<u>50,540</u>	<u>50,541</u>

	Called up Share capital £	Profit and loss account £	Total Equity £
At 1 January 2016	1	128,862	128,863
Comprehensive income for the year			
Loss for the year	-	(78,322)	(78,322)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(78,322)	(78,322)
At 31 December 2016	<u>1</u>	<u>50,540</u>	<u>50,541</u>

The notes on pages 10 to 16 form part of these financial statements.

Notes to the financial statements
For the year ended 31 December 2017

1. Accounting policies

1.1 Statement of compliance and basis of preparation of financial statements

Citation (NBS) Limited is a limited liability company incorporated in England. The registered office is Kings Court, Water Lane, Wilmslow, Cheshire, SK9 5AR.

The financial statements have been prepared in compliance with Financial Reporting Standard 102, as it applies to the financial statements of the company for the year ended 31 December 2017. The Group has elected to early adopt the revised FRS102 guidance which has been released following the 2017 Triennial review. The adoption of these amendments does not result in any impact on prior year figures. The financial statements are prepared in sterling which is the functional currency of the company.

1.2 Judgements and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Goodwill and intangible assets

The Group establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

The following principal accounting policies have been applied:

1.3 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Citation Topco Limited as at 31 December 2017 and these financial statements may be obtained from 22 Grenville Street, St Helier, Jersey JE4 8PX.

1. Accounting policies (continued)

1.4 Going concern

The Group has prepared a detailed and robust forecast for the next four financial years, including P&L, balance sheet and cashflows, together with sensitivities. The directors have reviewed these sensitivities and challenged the assumptions made in the forecasts. The Group has a large proportion of long term contracts which underpin the revenue assumptions together with a customer base that is spread across different geographical areas and industries.

The individual trading entities within the Group are both profit making and cash generative, the cash generation in the current year has been diluted by planned capital expenditure and investment for future growth which is not expected to continue at the same rate for the remainder of the forecast period.

Based on these forecasts and enquiries, the directors believe that the Group 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. BCAS Consulting Limited the parent company, Citation Topco Limited has provided a letter of support for the 12-month period post signing of the financial statements.

1.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or 'to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

Notes to the financial statements
For the year ended 31 December 2017

1. Accounting policies (continued)

1.6 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Profit and loss account over its useful economic life.

During the year, the goodwill has been transferred to another company within the Group.

In the prior year, the estimated useful lives range were as follows:

Goodwill	20 years
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1.7 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.

1.8 Taxation

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 based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Citation (NBS) Limited

Notes to the financial statements
For the year ended 31 December 2017

2. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2017 £	2016 £
Goodwill - amortisation charge	<u>-</u>	<u>78,322</u>

During the year, none of the directors received any emoluments (2016: £Nil).

Audit fees of £1,000 (2016: £1,000) were borne by other Group companies and not recharged.

Citation (NBS) Limited

**Notes to the financial statements
For the year ended 31 December 2017**

3. Taxation

	2017 £	2016 £
Current tax on loss for the year	-	-
Taxation on loss on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19.25% (2016: 20%).

	2017 £	2016 £
	-	(78,322)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	-	(15,664)
Effects of:		
Expenses not deductible for tax purposes	-	15,664
Group relief for nil payment	-	-
Total tax charge for the year	-	-

Factors that may affect future tax charges

Reductions in the UK corporation tax rate to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2017 has been calculated based on the rate of 17% substantively enacted at the balance sheet date.

Citation (NBS) Limited

**Notes to the financial statements
For the year ended 31 December 2017**

4. Intangible assets

Cost	Goodwill
At 1 January 2017	1,566,448
Transfer to group company	(1,566,448)
At 31 December 2017	-
Amortisation	
At 1 January 2017	313,289
Transfer to group company	(313,289)
At 31 December 2017	-
Net Book Value	
At 31 December 2017	-
At 31 December 2016	1,253,159

5. Debtors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed from group undertakings	50,541	-
	50,541	-

The amounts owed from group undertakings relate to intercompany balances from QMS International Limited. The amounts are repayable on demand

6. Creditors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	-	1,202,618
	-	1,202,618

The amounts owed to group undertakings relate to intercompany loans from QMS International Limited. The amounts are repayable on demand.

Citation (NBS) Limited

Notes to the financial statements
For the year ended 31 December 2017

6. Financial Instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	50,541	-
	<u>50,541</u>	<u>-</u>
Financial liabilities		
Financial liabilities measured at fair value through profit or loss	-	(1,202,618)
	<u>-</u>	<u>(1,202,618)</u>

Financial assets measured at amortised cost comprise amounts due from Group undertakings.

Financial liabilities measured at amortised cost comprise amounts owed to Group undertakings.

7. Share Capital

	2017 £	2016 £
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

8. Controlling party

At the balance sheet date, the company was a wholly owned subsidiary undertaking of Citation Topco Limited, a company registered and incorporated in Jersey. The largest group in which the results of the company are consolidated is that headed by Citation Topco Limited. The smallest group in which they are consolidated is Citation Holdco Limited. Copies of the financial statements of both Citation Topco Limited and Citation Holdco Limited are available from 22 Grenville Street, St Helier, Jersey JE4 8PX.

The company's immediate parent undertaking is Citation Holdings Limited.

The ultimate parent undertaking and controlling party is Hg Capital 7 Nominees Limited, incorporated in England.