Financial Statements

Chase Search & Selection Limited

For the Year Ended 31 December 2016

Registered number: SC180194

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Company Information

Directors	J I Phillips C R Phillips G A Hawthorn R E Busby
Registered number	SC180194
Registered office	Sugar Bond Anderson Place Leith Edinburgh Scotland EH6 5NP
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 110 Queen Street Level 8 Glasgow G1 3BX
Bankers	HSBC Bank plc London EC4N 4TR
Solicitors	Burness Paull LLP 50 Lothian Road Festival Square Edinburgh EH3 9WJ

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Strategic Report

For the Year Ended 31 December 2016

Introduction

The company's principal activity during the year continued to be that of the provision of pharmaceutical resourcing in the form of contract sales (CSO) and permanent recruitment.

The directors are pleased to report another good year of growth with turnover increasing by almost £1.39 million to £18.9 million, an increase of approximately 7.9%.

Gross profit increased by c£600k from £6.1 million, an increase of approximately 9.7%.

The number of contractors continues to grow steadily and the directors are optimistic about the prospects for further growth in 2017 underpinned by heightened recruitment activity and another year of steady growth in contractors.

New initiatives

During 2016, a newly incorporated company, Nutrix Capital Limited ("Nutrix"), acquired 100% of the issued share capital of Chase Search and Selection Limited ("CHASE"). Nutrix was funded by equity investments from existing CHASE shareholders and Vespa Capital II LP ("Vespa Capital"), and senior bank debt from HSBC Bank plc. Vespa Capital will support CHASE's continued development, with investment in existing and new personnel and systems to promote further growth. The investment will also assist the company in its ambitions to deliver more solutions to the pharmaceutical, biotech and healthcare sectors.

Principal risks and uncertainties

In the opinion of the directors there are no significant short to medium term risks and uncertainties facing the business. However, in the long term, the risks to CHASE are aligned to the risks associated with those of our clients in the pharmaceutical and healthcare industries.

Provision of CSO staff is a very highly bespoke resourcing service linked to the demands of blue chip pharmaceutical and healthcare companies. Factors which can affect that demand include Merger and Acquisition activity between pharmaceutical companies and the lack of new products to promote.

Liquidity risk
CHASE has more than adequate cash reserves and maintains a liquidity position with the objective of managing its working capital whilst repaying liabilities in a timely manner and within creditor terms.

Credit Risk
This is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. In the opinion of the directors there is no significant credit risk attributable to trade receivables with the majority of customers being blue-chip pharmaceutical companies.

Strategic Report
For the Year Ended 31 December 2016

Financial key performance indicators

The key performance indicators the directors consider necessary for an understanding of the business include, EBITDA, Gross Margin, number of contract sales employees and the number of vacant roles CHASE are working on in in any given period.

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

C R Phillips
Director

Date: 25 May 2017

Directors' Report
For the Year Ended 31 December 2016

The Directors present their report and the financial statements for the year ended 31 December 2016.

Results and dividends

The profit for the year, after taxation, amounted to £1,928,692 (2015 - £2,519,138).

Particulars of recommended dividends are detailed in note 11 to the financial statements.

Directors

The Directors who served during the year were:

J I Phillips
C R Phillips
G A Hawthorn (appointed 7 July 2016)
R E Busby (appointed 7 July 2016)

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic report, 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 they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Disabled employees

The company has documented procedures in place to ensure that:
(a) full and fair consideration is given to application for employment made to the company by disabled person, having regard to their particular aptitudes and abilities,
(b) provision had been made for the continuing of the employment of, and for arranging appropriate training for, employees of the company who had become disabled persons during the period when they were employed by the company, and
(c) appropriate training, career development and promotion of disabled persons employed by the company is provided.

Directors' Report (continued)

For the Year Ended 31 December 2016

Employee involvement

The company has documented procedures in place to ensure that:
(a) employees are systematically provided with information on matters of concern to them as employees.
(b) employees or their representatives are consulted on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests.
(c) there is a common awareness on the part of all employees of the financial and economic factors affecting the performance of the company.

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 the Director is aware, there is no relevant audit information of which the company's auditor is 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's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

C R Phillips
Director

Date: 25 May 2017

GrantThornton

Independent Auditor's Report to the Members of Chase Search & Selection Limited

We have audited the financial statements of Chase Search & Selection Limited for the year ended 31 December 2016, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law and the 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'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standard for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its 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.

Grant Thornton

Independent Auditor's Report to the Members of Chase Search & Selection Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 those financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

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 Directors' report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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.

Grant Thornton UK LLP

James Chadwick (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Senior Statutory Auditor
Glasgow

26 May 2017

Statement of Comprehensive Income
For the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover	4	**18,920,264**	17,528,783
Cost of sales		**(12,153,208)**	(11,361,519)
Gross profit		**6,767,056**	6,167,264
Administrative expenses		**(4,808,123)**	(2,992,326)
Operating profit	5	**1,958,933**	3,174,938
Interest receivable and similar income	8	**637**	6,443
Profit before tax		**1,959,570**	3,181,381
Tax on profit	9	**(30,878)**	(662,243)
Profit for the year and total comprehensive income		**1,928,692**	2,519,138

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 10 to 24 form part of these financial statements.

Chase Search & Selection Limited
Registered number:SC180194

Statement of Financial Position

As at 31 December 2016

	Note		2016 £		2015 £
Fixed assets					
Tangible fixed assets			**119,067**		150,867
			119,067		150,867
Current assets					
Debtors: amounts falling due within one year	12	**5,916,744**		3,520,332	
Cash at bank and in hand	13	**2,094,320**		1,551,772	
		8,011,064		5,072,104	
Creditors: amounts falling due within one year	14	**(2,038,405)**		(1,479,530)	
Net current assets			**5,972,659**		3,592,574
Total assets less current liabilities			**6,091,726**		3,743,441
Provisions for liabilities					
Deferred tax	15	**-**		(1,701)	
			-		(1,701)
Net assets			**6,091,726**		3,741,740
Capital and reserves					
Called up share capital	16		**142**		130
Share premium account	17		**364,996**		-
Capital contribution reserve	17		**1,425,900**		-
Profit and loss account	17		**4,300,688**		3,741,610
			6,091,726		3,741,740

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 May 2017.

C R Phillips
Director

The notes on pages 10 to 24 form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 31 December 2016

	Called up share capital	Share premium account	Capital contribution	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2016	130	-	-	3,741,610	3,741,740
Comprehensive income for the year					
Profit for the year	-	-	-	1,928,692	1,928,692
Total comprehensive income for the year	-	-	-	1,928,692	1,928,692
Dividends: Equity capital	-	-	-	(1,369,614)	(1,369,614)
Shares issued during the year	12	364,996	-	-	365,008
Share based payment charge	-	-	1,425,900	-	1,425,900
Total transactions with owners	12	364,996	1,425,900	(1,369,614)	421,294
At 31 December 2016	142	364,996	1,425,900	4,300,688	6,091,726

Statement of Changes in Equity
For the Year Ended 31 December 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	100	6,467,304	6,467,404
Comprehensive income for the year			
Profit for the year	-	2,519,138	2,519,138
Total comprehensive income for the year	-	2,519,138	2,519,138
Dividends: Equity capital	-	(5,244,832)	(5,244,832)
Shares issued during the year	30	-	30
Total transactions with owners	30	(5,244,832)	(5,244,802)
At 31 December 2015	130	3,741,610	3,741,740

The notes on pages 10 to 24 form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 31 December 2016

1. General information

Chase Search & Selection Limited is a limited liability company incorporated in Scotland. Its registered head office is located at Sugar Bond Anderson Place, Leith, Edinburgh, Scotland, EH6 5NP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK 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 management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 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).

This information is included in the consolidated financial statements of Nutrix Capital Limited as at 31 December 2016 and these financial statements may be obtained from Companies House.

2.3 Going concern

Trading forecasts and projections show that the company can continue to generate positive cash flows for the foreseeable future.

The company has adequate cash balances to meet its loan covenants, interest and repayments. The company has recently retained a number of large contracts. As a consequence of these factors, the directors believe the company is well placed to manage its business risks successfully.

The directors have reasonable expectations that the company has adequate resources to continue operations for the foreseeable future, therefore they continue to adopt the going concern basis of accounting in preparing these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.4 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:

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 of 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.

2.5 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.

The company 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 company. 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, on the bases noted below.

Depreciation is provided on the following basis:

Leasehold property	- 10% straight line
Motor vehicles	- 25% reducing balance
Furniture & Equipment	- 20% reducing balance
Computer equipment	- 33% reducing balance
Website	- 20% reducing balance

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 Statement of comprehensive income.

Notes to the Financial Statements
For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 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.

2.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 Statement of comprehensive income.

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 of the recoverable amount, which is an approximation of the amount that the company 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.

Notes to the Financial Statements
For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.9 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.

2.10 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 Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.12 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the 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 on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Notes to the Financial Statements
For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.13 Pensions

Defined contribution pension plan

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 payment obligations. .

The contributions are recognised as an expense in the Statement of comprehensive income 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.

2.14 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

Notes to the Financial Statements
For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge 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 operates and generates 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, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

In the application of the Company's accounting policies which are described in note 2, the directors are required to make estimates, judgements and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Sources of estimation uncertainty
The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed:

i) Impairment of debtors
The directors make an assessment at the end of each financial year of whether there is objective evidence that age trade or other debtor is impaired. When assessing impairment of trade and other debtors, the directors consider factors including the age profile of outstanding invoices, recent correspondence and trading activity, and historical experience of cash collections from the debtor.

Notes to the Financial Statements
For the Year Ended 31 December 2016

4. Turnover

An analysis of turnover by class of business is as follows:

	2016	2015
	£	£
Rendering of services	**18,920,264**	17,528,783

Analysis of turnover by country of destination:

	2016	2015
	£	£
United Kingdom	**18,920,264**	17,431,949
Rest of Europe	**-**	96,834
	18,920,264	17,528,783

5. Operating profit

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets	**58,954**	56,506
Auditor's remuneration	**15,000**	7,000
Auditor's other services relating to taxation	**3,400**	-
Exchange differences	**98**	677
(Gains)/loss on disposal of tangible assets	**(4,780)**	3,479
Other operating lease costs	**651,200**	650,244
Defined contribution pension cost	**285,476**	252,512

Notes to the Financial Statements
For the Year Ended 31 December 2016

6. Employees

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

	2016 £	2015 £
Wages and salaries	**10,330,752**	9,470,909
Social security costs	**1,251,730**	1,133,424
Cost of defined contribution scheme	**285,476**	252,512
Share based payment charge	**1,425,900**	-
	13,293,858	10,856,845

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

	2016 No.	2015 No.
Production	**250**	242
Administrative	**34**	30
Management	**3**	-
	287	272

7. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	**127,551**	61,399
	127,551	61,399

The number of directors who accrued benefits under company pension plans was 2 (2015 - 2).

8. Interest receivable

	2016 £	2015 £
Other interest receivable	**637**	6,443

Notes to the Financial Statements

For the Year Ended 31 December 2016

9. Taxation

	2016	2015
	£	£
Corporation tax		
Current tax on profits for the year	42,022	664,000
Adjustments in respect of previous periods	(330)	891
	41,692	664,891
Total current tax	41,692	664,891
Deferred tax		
Origination and reversal of timing differences	(9,644)	(2,648)
Adjustments in respect of prior periods	(1,138)	-
Effect of tax rate change on opening balance	(32)	-
Total deferred tax	(10,814)	(2,648)
Taxation on profit on ordinary activities	30,878	662,243

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - higher than) the standard rate of corporation tax in the UK of 20.25% (2015 - 20.25%). The differences are explained below:

	2016	2015
	£	£
Profit on ordinary activities before tax	1,959,570	3,181,381
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2015 - 20.25%)	391,914	644,230
Effects of:		
Expenses not deductible for tax purposes	287,206	17,157
Other permanent differences	(590,661)	-
Other tax adjustments, reliefs and transfers	-	891
Adjustments to tax charge in respect of prior periods	(330)	-
Adjustments to tax charge in respect of previous periods - deferred tax	(1,138)	-
Effect of rate changes	1,670	(35)
Group relief surrendered/(claimed)	(57,783)	-
Total tax charge for the year	30,878	662,243

Notes to the Financial Statements

For the Year Ended 31 December 2016

9. Taxation (continued)

Factors that may affect future tax charges

The standard rate of UK corporation tax reduced from 21% to 20% on 1 April 2015. The Finance Act (No.2) 2015, which was given Royal Assent on 18 November 2015, reduced the rate further to 19%, from 1 April 2017. The Finance Act 2016, was given Royal Assent on 15 September 2016, reduced the rate further to 17% from 1 April 2020. Accordingly these rates have been applied in the measurement of the deferred tax balances at 31 December 2016.

10. Dividends

	2016 £	2015 £
Equity dividends on ordinary shares	**1,369,614**	5,244,832

11. Tangible fixed assets

	Leasehold property £	Motor vehicles £	Furniture & Equipment £	Computer equipment £	Website £
Cost or valuation					
At 1 January 2016	49,826	229,798	54,999	119,312	22,066
Additions	-	17,663	2,206	36,746	-
Disposals	(46,764)	(63,619)	(18,754)	(83,074)	(22,066)
At 31 December 2016	3,062	183,842	38,451	72,984	-
Depreciation					
At 1 January 2016	47,406	139,621	34,051	87,503	16,553
Charge for the period	1,754	22,488	5,079	24,120	5,513
Disposals	(46,764)	(41,401)	(18,601)	(75,984)	(22,066)
At 31 December 2016	2,396	120,708	20,529	35,639	-
Net book value					
At 31 December 2016	666	63,134	17,922	37,345	-
At 31 December 2015	2,420	90,177	20,948	31,809	5,513

Notes to the Financial Statements
For the Year Ended 31 December 2016

11. Tangible fixed assets (continued)

	Total £
Cost or valuation	
At 1 January 2016	476,001
Additions	56,615
Disposals	(234,277)
At 31 December 2016	298,339
Depreciation	
At 1 January 2016	325,134
Charge for the period	58,954
Disposals	(204,816)
At 31 December 2016	179,272
Net book value	
At 31 December 2016	119,067
At 31 December 2015	150,867

Notes to the Financial Statements
For the Year Ended 31 December 2016

12. Debtors

	2016 £	2015 £
Trade debtors	**4,589,082**	2,900,606
Amounts owed by parents company	**679,606**	-
Other debtors	**475,593**	372,762
Prepayments and accrued income	**163,350**	228,844
Corporation tax recoverable	**-**	18,120
Deferred taxation	**9,113**	-
	5,916,744	3,520,332

13. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	**2,094,320**	1,551,772

14. Creditors: Amounts falling due within one year

	2016 £	2015 £
Director loan accounts	**-**	32,005
Trade creditors	**145,735**	131,390
Corporation tax	**42,636**	-
Other taxation and social security	**1,192,197**	757,769
Other creditors	**125,942**	139,150
Accruals and deferred income	**531,895**	419,216
	2,038,405	1,479,530

15. Deferred taxation

	2016 £
At beginning of year	**(1,701)**
Charged to profit or loss	**10,814**
At end of year	**9,113**

Notes to the Financial Statements

For the Year Ended 31 December 2016

15. Deferred taxation (continued)

The deferred taxation balance is made up as follows:

	2016
	£
Accelerated capital allowances	(4,718)
Short term timing differences	(4,395)
	(9,113)

16. Share capital

	2016	2015
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
1,300 (2015 - 900) Ordinary shares shares of £0.10 each	130	90
400 C Ordinary shares shares of £0.10 each	-	40
	130	130
Allotted, called up and partly paid		
121 Ordinary shares shares of £0.10 each	12	-

During the year an exercise was carried out to reclassify all "C Ordinary" shares as Ordinary shares. There was also an excercise of share options by two of the directors which has yet to be fully paid, the debtor of which is included within the amounts owed by the parent company.

17. Reserves

Profit and loss account
The profit and loss account includes all current and prior period retained profits and losses.

Called up share capital
This represents the nominal value of shares that have been issued.

Capital contribution
This represents the share based payment charge on shares issued.

Share premium account
This represents the premium paid on the issue of new shares.

Notes to the Financial Statements

For the Year Ended 31 December 2016

18. Capital commitments

At 31 December 2016 the company had capital commitments as follows:

	2016	2015
	£	£
Payments due for fixed asset under construction	**70,000**	-

19. Pension commitments

	2016	2015
	£	£
Contributions payable by the group to the fund	**38,967**	15,292

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £285,476 (2015 - £252,512).

20. Commitments under operating leases

At 31 December 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016	2015
	£	£
Not later than 1 year	**455,064**	343,849
Later than 1 year and not later than 5 years	**314,099**	97,622
	769,163	441,471

The amount recognised in profit or loss as an expense in relation to vehicle hire was £592,722 (2015 - £610,744). The amount recognised in profit or loss as an expense in relation to rent was £58,478 (2015 - £39,500).

21. Directors advance, credits and guarantees

During the year the company provided a loan to Mr Christopher R. Phillips. The outstanding amounts at the beginning of year was £31,344 (2015 - £765,887) and at the end of the year £1,965 (2015 - £31,344) owed to the company.

During the year the company provided a loan to Mrs Judy I. M. Phillips. The outstanding amounts at the beginning of year was £661 (2015 - £765,878) and at the end of year £1,266 (2015 - £661) owed to the director.

Notes to the Financial Statements

For the Year Ended 31 December 2016

22. Related party transactions

The company was under the control of Mr Christopher R. Phillips and Mrs Judy I. M. Phillips throughout the current and previous years until the acquisition of the company by Nutrix Capital Limited.

During the year the company paid rent of £39,500 (2015 - £39,500) to Chase Small Self Administered Pension Scheme. The directors are members of the scheme.

During the year the company paid dividends of £1,310,000 (2015 - £ 2,244,832) to the directors. The company also paid dividends of £59,614 (2015 - £3,000,000) to Bagheera Assets Limited, a company in which Mr and Mrs Phillips are directors.

23. Controlling party

The Directors consider that the ultimate parent undertaking of this company is Vespa Capital II LP.

Nutrix Capital Limited is the company's controlling related party by virtue of its 100% shareholding in the company.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Vespa Capital II LP. Copies of the group accounts can be obtained at North Cottage, Langton Road, Langton Green, Tunbridge Wells, Kent, TN3 0BB.