CACI

Company Number 01649776

CACI Limited

Report and Financial Statements - 30 June 2018

20/2/19
150

CACI Limited
Corporate directory
30 June 2018

CACI

Directors	J P London (Chairman) G R Bradford (Chief Executive) W R Phillips S A Sadler P Winters M S Khaira
Company secretary	S A Sadler
Registered office	CACI House Kensington Village Avonmore Road London W14 8TS
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF
Bankers	National Westminster Bank plc Knightsbridge Branch 186 Brompton Road London SW3 1XJ

The directors present their strategic report on the Company for the year ended 30 June 2018.

Business Review

CACI Limited (the Company) is part of an international technology services group. The ultimate parent undertaking is CACI International Inc, which is a public company incorporated in Delaware, USA, and whose shares are quoted on the US NYSE. CACI Limited is the largest operating subsidiary of the group outside the USA and represents the group's interests in Europe.

The Company provides data, software products, consulting services, and systems development and integration, through its two principal operating divisions, Marketing Solutions Division (MSD) and Information Management Systems (IMS).

The year to June 2018 was a record year for revenue and profit for CACI Limited. Turnover increased to £110.7m (2017 - £99.4m), and the Company's operating profit increased to £12.9m (2017 - £12.6m).

The Company's key financial performance indicators during the year were as follows: -

	2018 £'000s	2017 £'000s	Change %
Turnover	110,713	99,448	11.3%
Operating profit	12,893	12,578	2.5%
Profit for the financial year	9,887	9,621	2.8%
Shareholders' funds	89,371	79,485	12.4%
Current assets as % of current liabilites	173%	152%	13.8%
Average number of employees	785	752	4.3%

The growth in our 2018 revenue, and operating profits, is due to strong underlying performance in our IMS and MSD divisions, together with the impact of acquisitions.

On 1 October 2017, CACI acquired 100 percent of the outstanding shares of Spargonet Consulting Limited (Spargonet), a UK IT consulting services business with strong skills in applications development, mobile technologies and business intelligence. The consideration was £5.75m plus an additional payment for excess net current assets.

On 1 November 2017, CACI acquired 100 percent of the outstanding shares of Mapmechanics Limited, a UK business that provides mapping data, GIS and logistics software and related consultancy services to a range of commercial companies. The consideration was £3.00m plus an additional payment for excess net current assets.

The 2018 results included a full year's performance of the Kognitio acquisition, as compared to 9 months activity in 2017. These three acquisitions delivered the majority of the increase in revenue.

The improvement in the operating profit reflected the profits generated by these acquisitions, offsetting tighter margins across a number of our existing business units.

The increase in shareholders' funds reflects the profitability of the company for the year.

Principal risks and uncertainties

The directors review risks and uncertainties as part of the monthly management review process. The principal risks facing the Company can be grouped as competitive risks, operational risks and technical risks:

Competitive risks

Our Information Management Systems Division principally operates in the local and central government markets. Our ability to win contracts against stiff competition in the highly structured tendering and procurement environment is critical to our success.

The employment market is also particularly challenging, and recruiting and retaining quality staff will be a key challenge for the foreseeable future.

Operational risks
A significant number of our client contracts are on a fixed price basis and careful performance monitoring is essential to bringing these jobs in on time and within budget while meeting the customers' expectations.

Technical risks
Our Marketing Solutions Division provides demographic data and marketing systems. The volume and complexity of the analysis and processing of this data calls for stringent technical quality controls to ensure that the data provided to clients and upon which they make critical business decisions is of the highest quality. We also carry the risks around the physical control and management of the data on behalf of our clients.

The GDPR (General Data Protection Regulation) legislation, which came into force in May 2018, has introduced additional compliance costs into the business, which could affect our future profit margins. The legislation is also slowing down the sales process, as customers seek additional contractual protections. This may impact our margins if this continues into the future.

This report is made in accordance with a resolution of directors.

On behalf of the directors

S A Sadler
Secretary

14 February 2019

The directors present their report and financial statements for the year ended 30 June 2018.

Directors
The directors who served the Company during the year were as follows:

J P London (Chairman)
G R Bradford (Chief Executive)
W R Philips
S A Sadler
P Winters
M S Khaira

Dividends
The directors do not recommend the payment of a dividend.

Future prospects of the business
The Company intends to continue operating in the areas of Marketing Solutions and Information Management Systems. The Company intends to continue to grow organically, but also to augment its organic growth through strategic acquisitions.

Research and development
The Company continues to develop new and upgraded software and data products, which are planned for release to the marketplace in the 2019 financial year and beyond.

Events since the balance sheet date
No matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Going concern
The Company's business activities, together with the factors likely to affect its future development, performance and position are described in the Strategic Report.

The Company has considerable financial resources together with long-term contracts with a number of customers and suppliers across different geographic areas and industries. As a consequence, the directors believe that the company is well placed to manage its business risks successfully and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disabled employees
The Company gives full consideration to employment applications from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Employee involvement, training and recruitment
Employee involvement in the Company is encouraged and there is a scheme to help employees purchase shares in our parent company - CACI International Inc. There is an effective communication system to keep employees aware of developments in the Company and the rest of the group.

We understand the need for continued training and development of our employees to ensure the future success of the Company. We provide a variety of training courses from both within the Company and from external sources to meet the development needs of employees. Active encouragement is given to help employees attain the relevant training and qualifications within their chosen profession to ensure the highest standards are maintained by all.

CACI Limited operates a recruitment policy based on experience and qualifications and on an equal opportunities basis without discrimination on account of age, race, ethnicity, religion disability, marital status or sexual orientation.

Disclosure of information to the auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor
The Company has made an election under Section 487 of the Companies Act 2006 to dispense with the obligation to appoint auditors annually and accordingly Ernst & Young LLP are deemed to be reappointed.

This report is made in accordance with a resolution of directors.

On behalf of the directors

S A Sadler
Secretary

14 February 2019

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Independent auditor's report

to the members of CACI Limited

Opinion

We have audited the financial statements of CACI Limited for the year ended 30 June 2018 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 30, 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 101 "Reduced Disclosure Framework" (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 30 June 2018 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.

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.

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.

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.

Independent auditor's report (continued)

to the members of CACI Limited

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 6, 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.

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.

Independent auditor's report (continued)

to the members of CACI Limited

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.

Ernst & Young LLP

Rebecca Turner (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

1 4 FEB 2019

CACI Limited
Statement of comprehensive income
For the year ended 30 June 2018

CACI

	Note	2018 £	2017 £
Turnover	4	110,713,149	99,447,696
Cost of sales	5	(46,600,080)	(39,324,512)
Gross profit		64,113,069	60,123,184
Other income		31,472	15,000
Expenses			
Administrative expenses	5	(51,251,892)	(47,560,548)
Operating profit	6	12,892,649	12,577,636
Interest receivable	9	14,799	52,186
Interest payable	10	(306,529)	(454,002)
Profit before income tax expense		12,600,919	12,175,820
Income tax expense	11	(2,714,379)	(2,554,688)
Profit after income tax expense for the year		9,886,540	9,621,132
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		9,886,540	9,621,132

The above statement of comprehensive income should be read in conjunction with the accompanying notes

CACI Limited
Statement of changes in equity
For the year ended 30 June 2018

	Share capital £	Share premium £	Retained earnings £	Total equity £
Balance at 1 July 2016	4,307,400	17,641,600	47,914,752	69,863,752
Profit after income tax expense for the year	-	-	9,621,132	9,621,132
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	9,621,132	9,621,132
Transactions with owners in their capacity as owners:				
Share-based payments	-	-	762,298	762,298
Share-based payment parent recharge	-	-	(762,298)	(762,298)
Balance at 30 June 2017	4,307,400	17,641,600	57,535,884	79,484,884

	Share capital £	Share premium £	Retained profits £	Total equity £
Balance at 1 July 2017	4,307,400	17,641,600	57,535,884	79,484,884
Profit after income tax expense for the year	-	-	9,886,540	9,886,540
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	9,886,540	9,886,540
Transactions with owners in their capacity as owners:				
Share-based payments	-	-	830,161	830,161
Share-based payment parent recharge	-	-	(830,161)	(830,161)
Balance at 30 June 2018	4,307,400	17,641,600	67,422,424	89,371,424

The above statement of changes in equity should be read in conjunction with the accompanying notes

CACI Limited
Registered No. 01649776

CACI

Balance sheet
As at 30 June 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	12	63,392,128	57,989,040
Tangible assets	13	2,501,772	3,121,040
Investments in subsidiary undertakings	14	6,230	6,230
Total fixed assets		65,900,130	61,116,310
Current assets			
Debtors	17	17,915,709	15,694,499
Accrued revenue	16	21,019,154	17,583,643
Prepayments	18	2,798,004	2,608,144
Cash at bank and in hand		16,511,836	21,786,875
Total current assets		58,244,703	57,673,161
Current liabilities			
Trade creditors		3,429,887	1,612,275
Corporation tax	11	1,548,323	1,665,862
Other creditors: amounts falling due within one year	19	26,872,626	33,271,163
Provision for liabilities - current	20	125,000	-
Amounts owed to group companies	21	1,719,426	1,371,754
Total current liabilities		33,695,262	37,921,054
Net current assets		24,549,441	19,752,107
Total assets less current liabilities		90,449,571	80,868,417
Non-current liabilities			
Creditors: amounts falling due after more than one year	22	28,076	575,171
Provision for liabilities - non current	23	1,050,071	808,362
Total non-current liabilities		1,078,147	1,383,533
Net assets		89,371,424	79,484,884
Equity			
Authorised and issued share capital	24	4,307,400	4,307,400
Share premium account	25	17,641,600	17,641,600
Retained earnings		67,422,424	57,535,884
Total equity		89,371,424	79,484,884

G R Bradford
Director

S A Sadler
Director

14 February 2019

The above balance sheet should be read in conjunction with the accompanying notes

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of CACI Limited (the Company) for the year ended 30 June 2018 were authorised for issue by the board of directors on 14 February 2019 and the balance sheet was signed on the board's behalf by G R Bradford and S A Sadler. CACI Limited is incorporated and domiciled in England and Wales. The Company is a private company limited by shares.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101) and in accordance with applicable accounting standards. The Company has used a true and fair view override in respect of the non-amortisation of goodwill.

The Company's financial statements are presented in Sterling.

The Company has taken advantage of the exemption under s401 of the Companies Act 2006 not to prepare group accounts as they are prepared by its ultimate parent undertaking CACI International Inc, which is incorporated within the United States of America. Group financial statements for CACI International Inc. group are available from the address detailed in note 28.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

Basis of preparation
The Company has taken advantage of the following disclosure exemptions under FRS 101:

(a) The requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based Payment, because the share-based payment arrangement concerns the instruments of another group entity;
(b) The requirements of paragraph 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS3 Business Combinations.
(c) The requirements of IFRS 7 Financial Instruments: Disclosures.
(d) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement.
(e) The requirement in paragraph 38 of IAS 1 Presentation in Financial Statements to present comparative information in respect of:

    i) Paragraph 79(a)(iv) of IAS 1
    ii) Paragraph 73(e) of IAS 16 Property, Plant and Equipment
    iii) Paragraph 118(e) of IAS 38 Intangible Assets
    iv) The requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements
    v) The requirements of IAS 7 Statement of Cash Flows
    vi) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
    vii) The requirements of paragraph 17 of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding value added tax and other sales taxes.

Revenue from marketing services and time and materials consulting contracts is recognised on delivery of projects or when services are rendered.

2. Accounting policies (continued)

Revenue from licensing of software products, where at the time of delivery there are no undelivered elements essential to the functionality of the delivered software, is recognised on the delivery of the product. Where there are undelivered elements essential to the functionality of the delivered software, revenue is accounted for on a contract accounting basis using the percentage of completion method. Revenue from maintenance support services on software products is recognised over the period of the contract to coincide with the support provided under the contract.

Revenue on long-term contracts is recognised as the work is carried out if the outcome can be assessed with reasonable certainty. The profit is calculated to reflect the proportion of the work carried out at the year end, by recording revenue and related costs as contract activity progresses. Full provision is made for losses on all contracts at the point at which they are first forseen.

Taxation
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exception:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or taxable profit or loss.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on the tax rates and laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Cash at bank and in hand
Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity date of three months or less.

Trade and other debtors
Trade debtors, which generally have 30-90 day payment terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Tangible fixed assets
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on fixed assets calculated on the straight-line method in order to write off the cost of these assets over their estimated useful lives at the following rates:

Leasehold improvements	Up to a maximum of 10 years or the life of the lease, whichever is lower
Fixtures and Fittings	Between three and ten years
Plant and machinery	Between three and five years

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

2. Accounting policies (continued)

An item of tangible fixed assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from the derecognition of the asset is included in the income statement in the period of derecognition.

Intangible fixed assets
Goodwill is initially measured at cost being the excess of the aggregate of the acquisition-date fair value of the consideration transferred and the amount recognised for the non-controlling interest (and where the business combination is achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree) over the net identifiable amounts of the assets acquired and the liabilities assumed in exchange for the business combination.

Goodwill arising on acquisition is capitalised and classified as an asset on the balance sheet. The carrying value of goodwill is reassessed during the months following acquisition and up until the end of the first full financial reporting period following acquisition and adjusted for accordingly. Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of a business are capitalised separately from goodwill if their fair value can be measured reliably on initial recognition.

The UK Companies Act requires goodwill to be reduced by provisions for depreciation on a systematic basis over a period chosen by the directors, its useful economic life. However, under IFRS 3 Business Combinations goodwill is not amortised. Consequently, the Company does not amortise goodwill, but reviews it for impairment on an annual basis or whenever there are indicators of impairment. The Company is therefore invoking a 'true and fair view override' to overcome the prohibition on the non-amortisation of goodwill in the Companies Act. Had the Company amortised goodwill, a period of 15 years would have been chosen as the useful life of goodwill. The profit for the year would have been £4,683,851 (2017: £4,483,382) lower had goodwill been amortised in the year.

The costs of acquiring third party software, demographic data and other intangible assets and the costs of developing major new software products are capitalised when incurred subject to meeting specific criteria. These costs are amortised over the licence period or the anticipated period of benefit on a straight-line basis up to a maximum of ten years. Intangible assets acquired on acquisition are amortised on a reducing balance basis over ten years or over the anticipated period of benefit, if less.

Software development expenditure is recognised as an intangible asset when the Company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for sale or use, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset available for use. It is amortised evenly over the period of expected future benefit. During the period of development, it is tested annually for impairment.

Fixed asset investments
When subsidiaries are purchased, the goodwill and other assets arising on the acquisition are hived up into the acquiring company, CACI Limited.

Investments are stated at cost less provision for any impairment in value.

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss.

2. Accounting policies (continued)

Impairment of non-financial assets
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

Accrued revenue
Accrued revenue is valued at the lower of cost and net realisable value. Payments on account are netted off from accrued revenue to the extent that they arise in respect of the same contract and the related contract costs, and any surplus balance is included within current liabilities.

Foreign currencies
Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exhcnage rates at the date when the fair value was determined.

Leasing and hire purchase commitments
Rentals payable under operating leases are charged to the income statement on a straight-line basis over the lease term. Lease incentives are recognised over the lease term on a straight-line basis. Leasing agreements, which transfer to the Company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright; the assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applie to reduce the outstanding obligations and the interest element is charged against profit on a straight-line basis to achieve a constant rate of interest on the balance outstanding. Assets held under finance leases are depreciated over the shorter of the lease term and the useful life of equivalent owned assets.

Deferred and contingent consideration
Where the consideration for an acquisition includes amounts that are contingent on future performance, these amounts are included in the cost of the acquisition to the extent that they are probable and can be measured reliably. Where a monetary liability related to deferred consideration is payable, the fair value of the future liability is discounted to its present value.

If the events on which consideration is contingent do not occur or are not expected to occur, the cost of the acquisiton is adjusted. If and when additional amounts of contingent consideration become probable or payable, they are also treated as an adjustment to the cost of the acquisition.

Derivatives
The Company entered into a foreign currency option in December 2014 to reduce exposure to movements in the euro against sterling. Certain contracts are invoiced in euros and therefore a foreign currency risk arises. Derivatives held at fair value through the income statement are carried in the balance sheet at fair value with changes in fair value recognised in interest receivable/payable. The Company's derivative is not designated as a hedging instrument.

Share-based payments
The cost of equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period. Fair value is determined using an appropriate pricing model.

2. Accounting policies (continued)

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

Where a new award is designated as replacing a cancelled award, the cost based on the original award terms continues to be recognised over the original vesting period. An expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification.

Contribution to pensions
The Company contributes an amount as selected by each employee from their total benefits package for the year, to the group personal pension scheme or the company money purchase plan with Friends Provident, or other personal pension schemes. Payments to the schemes are charged to the income statement as they fall due.

3. Critical accounting judgements, estimates and assumptions

The preparation of financial statements 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.

Development costs
Development costs are capitalised in accordance with the accounting policy given above. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits. At 30 June 2018, the carrying amount of capitalised development costs was £3,643,084 (2017: £3,971,623).

Taxation
Management judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are included in Note 11.

Purchase price allocations
Purchase prices related to business combinations are allocated to the underlying acquired assets and liabilities based on their estimated fair value at the time of acquisition. The determination of fair value requires management to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amounts assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts reported assets and liabilities and future net earnings due to the impact on future depreciation and amortisation expense.

4. Turnover

Turnover and operating profit arise from the principal activities described in the Strategic Report. In the opinion of the directors, there is no substantial difference between the classes of business undertaken by the Company, all of which are concentrated in Europe. Turnover from continuing operations was £110,713,149 (2017 - £99,447,696) of which £10,776,354 related to acquisitions (2017 - £1,760,170). Operating profit from continuing operations was £12,892,649 (2017 - £12,577,636) of which £1,268,756 related to acquisitions (2017 - £453,5236).

5. Operating expenses

Operating expenses comprise cost of sales of £46,600,080 (2017 - £39,324,512) and administrative expenses of £51,251,892 (2017 - £47,560,548). Operating expenses from continuing operations were £97,851,972 (2017 - £86,885,060) of which £9,507,598 related to acquisitions (2017 - £1,306,647).

6. Operating profit:

This has been arrived at after charging/(crediting):

	2018 £	2017 £
Research & development costs expensed	1,233,211	1,184,823
Amortisation of capitalised development costs	556,880	616,156
Total research & development costs	1,790,091	1,800,979

	2018	2017
Auditors remuneration		
- audit of the financial statements	110,000	108,400
- taxation services	25,000	29,230
- corporate finance	72,578	-
Depreciation - owned assets	1,210,386	1,177,528
Amortisation of intangible assets	1,647,474	1,812,403
Rentals under operating leases - land & buildings	1,472,841	1,379,919
Rentals under operating leases - equipment	234,365	280,570
Foreign exchange (gain)	(20,686)	(84,873)
Loss on disposal of fixed assets	5,140	1,075
Share-based payments charge	830,161	762,298

7. Staff Costs

The average number of employees during the year was as follows:

	2018	2017
Marketing Solutions	245	230
Information Systems	464	446
Administration	76	76
Average number of employees	785	752

The employee benefits expense during the year was as follows:

	2018 £	2017 £
Wages and salaries	48,644,705	46,977,120
Social security costs	6,613,997	5,836,039
Other pension costs	1,186,251	934,785
Total employee benefits expense	56,444,953	53,747,944

CACI

8. Directors' emoluments

Details of directors' remuneration is set out below:

	2018	2017
Number of directors accruing benefits under pension schemes in respect of qualifying services	3	3

	2018 £	2017 £
Aggregate emoluments in respect of qualifying services	2,178,499	2,075,718
Aggregate gains made by directors on the exercise of Restricted Stock Units (RSUs)	1,343,136	451,469
Aggregate amounts of contributions to pension schemes in respect of qualifying services	11,627	16,930

	2018 £	2017 £
The amounts in respect of the highest paid director are as follows:		
Emoluments (including gain on exercise of RSUs)	1,628,975	1,108,500
Pension contributions made during the year	3,333	7,553
	1,632,308	1,116,053

9. Interest receivable

	2018 £	2017 £
Bank Interest receivable	14,799	18,527
Interest on intercompany balances	-	33,659
	14,799	52,186

10. Interest payable

	2018 £	2017 £
Interest on deferred consideration for acquisitions	261,113	508,898
Interest on intercompany balances	41,123	38,604
Interest on tax payable	4,293	(98,502)
Net derivative expense	-	5,001
Other interest charges	-	1
	306,529	454,002

11. Income tax

	2018 £	2017 £
Income tax expense		
Current tax	2,926,023	2,885,619
Deferred tax - origination and reversal of temporary differences	(325,423)	(409,147)
Adjustment recognised for prior periods	104,890	49,812
Impact of changes in UK corporation tax rates	8,889	28,404
Aggregate income tax expense	2,714,379	2,554,688
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	12,600,919	12,175,820
Tax at the statutory tax rate of 19% (2017: 19.75%)	2,394,175	2,404,724
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Disallowable & non-taxable items	222,855	105,894
	2,617,030	2,510,618
Adjustment recognised for prior periods	104,890	49,812
Adjustment to deferred tax balances as a result of change in statutory tax rate	(7,541)	(5,742)
Income tax expense	2,714,379	2,554,688

	2018 £	2017 £
Deferred tax		
The deferred tax included in the balance sheet is as follows:		
Decelerated capital allowance	69,770	38,443
Other timing differences	(91,793)	(32,790)
R&D tax relief	(6,053)	(75,001)
	(28,076)	(69,348)

The deferred tax liability arising as a result of other timing differences consists of a deferred tax liability relating to acquired intangibles of £686,810 (2017: £574,936), offset by a deferred tax asset of £272,697 (2017: £241,935) relating to provisions and a further deferred tax asset of £322,320 (2017: £300,211) relating to share based payments.

	2018 £	2017 £
The deferred tax (credit) included in the income statement is as follows:		
Decelerated capital allowance	(10,827)	(2,750)
General provision & pensions	(34,381)	(9,973)
Share-based payments	(27,401)	(137,534)
R&D tax relief	(68,948)	(31,761)
Changes in rates & laws	(7,541)	(9,780)
Adjustments in respect of prior years	(22,561)	(52,507)
Business combinations	(167,436)	(188,945)
	(339,095)	(433,250)

CACI

11. Income tax (continued)

The Finance Bill 2016 announced a reduction in the main rate of corporation tax from 18% to 17% from 1 April 2020. This reduction in the main rate of corporation tax was substantively enacted in September 2016. The Company has calculated the deferred tax liability of £28,076 at a tax rate of 17%.

	2018	2017
	£	£
Corporation tax payable		
Corporation tax payable	1,548,323	1,665,862

12. Intangible assets

Intangible assets comprise third party software, demographic data, software product and data development costs and ongoing contracts, customer relationships and goodwill arising on acquisitions.

	Acquired Software & Data	Ongoing Contracts	Customer Relationships	Developed Software	Goodwill	Total
	£	£	£	£	£	£
Balance at 1 July 2017	667,577	397,853	2,529,869	3,971,623	50,422,118	57,989,040
Additions	112,971	-	-	228,341	-	341,312
Additions through business combinations (note 15)	518,000	120,000	1,005,000	-	5,067,492	6,710,492
Disposals	(1,242)	-	-	-	-	(1,242)
Transfers in/(out)	449,029	(224,103)	(247,616)	-	22,690	-
Amortisation expense	(304,915)	(230,097)	(555,582)	(556,880)	-	(1,647,474)
Balance at 30 June 2018	1,441,420	63,653	2,731,671	3,643,084	55,512,300	63,392,128

On 1 October 2017, CACI acquired 100 percent of the outstanding shares of Spargonet Consulting Limited (Spargonet), a UK IT consulting services business with strong skills in applications development, mobile technologies and business intelligence. This business has been incorporated within the IMS cash-generating units.

On 1 November 2017, CACI acquired 100 percent of the outstanding shares of Mapmechanics Limited, a UK business that provides mapping data, GIS and logistics software and related consultancy services to a range of commercial companies. This business has been incorporated within the MSD cash-generating units.

Goodwill acquired through business combinations has been allocated to two cash-generating units, which are also operating segments, as follows:
(a) Marketing Services Division (MSD)
(b) Information Management Systems (IMS)

These represent the lowest level within the Company at which goodwill is monitored for internal management purposes

The recoverable amount of both units has been determined based on fair value less cost to sell (FVLCS) basis. FVLCS was derived by applying a size adjusted exit multiple from similar market transactions to either the turnover or EBITDA of the unit over the current and budgeted fiscal years. The key sensitivity is in relation to turnover for IMS. Turnover would need to reduce in excess of 5%, or EBIT in excess of 39 percent, to trigger an impairment. For both units, the recoverable amount is greater than the carrying value, and, consequently, no impairment is required.

12. Intangible assets (continued)

The goodwill allocated to each cash-generating unit is as follows:

	2018 £	2017 £
MSD	12,261,678	10,561,123
IMS	43,250,622	39,860,995
	55,512,300	50,422,118

13. Tangible assets

	Short leasehold improvements £	Fixtures & fittings £	Plant and machinery £	Total £
Cost				
At 1 July 2017	2,516,690	990,440	3,677,268	7,184,398
Additions	151,087	29,059	423,877	604,023
Additions through business combinations (note 15)	-	72,007	305,352	377,359
Disposals	(232,709)	(277,433)	(1,450,312)	(1,960,454)
At 30 June 2018	2,435,068	814,073	2,956,185	6,205,326
Accumulated depreciation				
At 1 July 2017	1,364,378	452,108	2,246,872	4,063,358
Charge for the year	432,845	185,496	592,046	1,210,386
Additions through business combinations (note 15)	-	68,132	258,820	326,953
Disposals	(227,411)	(272,850)	(1,396,882)	(1,897,143)
At 30 June 2018	1,569,812	432,886	1,700,856	3,703,554
Net book value				
At 30 June 2018	865,256	381,187	1,255,329	2,501,772
At 30 June 2017	1,152,312	538,332	1,430,396	3,121,040

CACI

14. Investments in subsidiary undertakings

	2018	2017
	£	£
Cost/Net book value	6,230	6,230

Details of all companies in which CACI Limited holds a direct or indirect investment as at 30 June 2018 are as follows:

Name of company	Holding	Proportion of voting rights held	Nature of business
Tomorrow Communications Limited	Ordinary shares	100%	Dormant
Rockshore Group Limited	Ordinary shares	100%	Dormant
Purple Secure Systems Limited	Ordinary shares	100%	Dormant
Stream:20 Limited	Ordinary shares	100%	Dormant
Rockshore Limited	Ordinary shares	100%	Dormant
Rockshore Corporation	Common stock	100%	Professional services
Stream:20 LLC	Common stock	100%	Marketing services
Spargonet Consulting Limited	Ordinary shares	100%	Dormant
Mapmechanics Limited	Ordinary shares	100%	Dormant

Rockshore Group Limited holds a direct investment in Rockshore Limited and Rockshore Corporation. Stream:20 Limited holds a direct investment in Stream:20 LLC.

Stream:20 LLC is incorporated in the United States and has a registered address of 5201 Great American Pkwy, Suite 320, Santa Clara, CA95054. Rockshore Corporation is incorporated in the United States and has a registered address of 205 Rockingham Row, Princeton, NJ08540.

All other companies are incorporated in the United Kingdom and have a registered address of CACI House, Kensington Village, Avonmore Road, London, W14 8TS.

15. Business combinations

On 1 October 2017, CACI Limited purchased the entire share capital of Spargonet Consulting Limited for total consideration of £6,463,568. Since the acquisition date, the acquired business has generated revenue of £8,076,029 and operating profit of £759,530.

On 1 November 2017, CACI Limited purchased the entire share capital of Mapmechanics Limited for total consideration of £5,769,329. Since the acquisition date, the acquired business has generated revenue of £2,700,325 and operating profit of £509,226.

On 1 October 2016, CACI Limited purchased the services division of Kognitio Limited for total consideration of £2,192,000. Since the acquisition date, the acquired business has generated revenue of £4,224,520 and operating profit of £1,078,029.

On acquisition, the assets of Spargonet Consulting Ltd and Mapmechanics Ltd were hived up into CACI Limited. No profit or loss was recorded on re-designation of the acquired assets into CACI Limited.

The trade and net assets of Spargonet Consulting Ltd and Mapmechanics Ltd were transferred to the Company at fair value. The cost of the Company's investments in those subsidiary undertakings reflected the fair value of their net assets and goodwill at the time of acquisition. The effect on the Company's balance sheet of the hive ups was to recognise additional goodwill of £5,067,492 in 2018.

The goodwill balance arising on the acquisition of subsidiary undertakings is reviewed for impairment. The review at 30 June 2018 resulted in no impairment.

15. Business combinations (continued)

The fair value of net assets at the date of acquisition was as follows:

	2018			2017
	Spargonet Consulting Limited Fair value £	Mapmechanics Limited Fair value £	Total Fair value £	Kognitio Limited Fair value £
Cash at bank	2,254,731	2,739,447	4,994,178	-
Trade receivables and prepayments	2,413,390	1,386,403	3,799,793	105,000
Work in progress	-	-	-	43,000
Property, Plant and equipment	50,406	-	50,406	25,000
Intangible assets	957,500	685,500	1,643,000	682,000
Trade payables	(466,643)	(211,776)	(678,419)	-
Deferred tax liability	(172,350)	(123,390)	(295,740)	(114,750)
Accruals and deferred income	(1,940,640)	(407,173)	(2,347,813)	(372,455)
Net assets acquired	3,096,394	4,069,011	7,165,405	367,795
Goodwill	3,367,174	1,700,318	5,067,492	1,824,205
Acquisition-date fair value of the total consideration transferred	6,463,568	5,769,329	12,232,897	2,192,000
Representing:				
Cash	5,250,000	3,500,000	8,750,000	2,082,000
Deferred consideration	1,213,568	2,269,329	3,482,897	110,000
	6,463,568	5,769,329	12,232,897	2,192,000

16. Accrued revenue

	2018 £	**2017** £
Accrued revenue	21,019,154	17,583,643

Accrued revenue includes £4,023,361 (2017 – £3,771,747) due after more than one year.

The provision for bad debts relating to unbilled debtors has been redistributed in the prior year.

17. Debtors

	2018 £	2017 £
Trade debtors	18,215,526	15,505,413
Less: Provision for bad debts	(513,739)	(622,412)
	17,701,787	14,883,001
Other debtors	106,618	101,860
Amounts recoverable from group undertakings	107,304	709,638
	17,915,709	15,694,499

The provision for bad debts relating to unbilled debtors has been redistributed in the prior year.

18. Prepayments

	2018 £	2017 £
Prepayments	2,798,004	2,608,144

Prepayments includes £196,237 (2017 – £140,828) due after more than one year.

19. Other creditors: amounts falling due within one year

	2018 £	2017 £
Deferred consideration	1,502,871	4,571,367
Other creditors including other taxation and social security	4,942,262	3,968,852
Accruals	13,158,374	10,921,664
Deferred income	7,269,119	7,625,366
Contingent consideration	-	6,183,914
	26,872,626	33,271,163

The unpaid pension contributions outstanding at the year end, included in accruals are £307,069 (2017 - £216,917).

Contingent considerations are amounts due that are specifically dependent on the future performance of the acquired business as defined in the relevant Sale & Purchase Agreement. Where the amounts due are contingent, management have made their best estimate at 30 June 2018 of the amounts that will be paid as a result of the future performance of the acquired businesses, based on current performance and estimates and forecasts of future performance.

20. Provision for liabilities - current

	2018 £	2017 £
Provision for liabilities - current	125,000	-

Provision for legal costs relating to a customer dispute.

21. Amounts owed to group companies

	2018 £	2017 £
Amounts owed to group companies	1,719,426	1,371,754

Included in amounts owed to group undertakings is £1,389,773 payable to the immediate parent undertaking, CACI NV (2017 – £1,339,461 payable to the parent undertaking). This is denominated in euro and represents a funding balance on which there are no fixed repayment terms, and which is interest bearing. The net amount of interest payable during the period was £41,123 (2017– £38,604).

22. Creditors: amounts falling due after more than one year

	2018 £	2017 £
Deferred consideration	-	505,823
Deferred tax liabilities	28,076	69,348
	28,076	575,171

23. Provision for liabilities - non current

	2018 £	2017 £
National Insurance on Restricted Stock Units (RSUs)	549,957	375,858
Dilapidations	500,114	432,504
	1,050,071	808,362

Provision has been made for National Insurance Contributions on RSUs awarded since 1 July 1997 under unapproved share option schemes, which are expected to be exercised. The provision has been calculated based on the year-end share price of US$168.55 (2017 – US$125.05), and is being allocated over the period from the date of award to the date the employees will become unconditionally entitled to the RSUs.

Provision is made for the Company's obligations in relation to dilapidations clauses on its commercial property operating leases.

24. Authorised and issued share capital

	2018 Shares	2017 Shares	2018 £	2017 £
Ordinary shares of £1 each - authorised, issued and fully paid	4,307,400	4,307,400	4,307,400	4,307,400

25. Share premium account

	2018 £	2017 £
Share Premium	17,641,600	17,641,600

The Share Premium is the excess of the amount paid for the issued share capital in excess of the nominal value.

26. Operating lease commitments

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2018 £	2017 £
Land and buildings		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	1,354,308	1,373,576
One to five years	2,895,792	3,227,825
More than five years	4,539,315	5,189,315
	8,789,415	9,790,716
Equipment		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	121,792	209,297
One to five years	30,472	142,026
	152,264	351,323

27. Share-based payments

Under the terms of its Stock Incentive Plans, CACI International Inc (CACI) may issue non-qualified stock options, restricted stock, restricted stock units (RSUs) and stock-settled stock appreciation rights (SSARs) to senior key management of the Company. During the periods presented, all grants were made in the form of RSUs.

The cost of the equity instruments is recharged to the Company through the intercompany account with CACI International Inc based upon the grants issued to scheme members. RSUs vest rateably over a three or four-year period, depending on the year of grant.

In September 2017, the Company made its annual grant to its key employees consisting of Performance RSUs (PRSUs). The final number of such performance-based RSUs which will be considered earned by the participants and eventually vest is based on the achievement of a specified earnings per share (EPS) of CACI for the year ending 30 June 2018 and on the average share price of CACI stock for the 90-day periods ending 30 September 2018, 2019 and 2020 as compared to the average share price for the 90-day period ended 30 September 2017. PRSUs were earned since the specified EPS for the fiscal year ending 30 June 2018 was met. If EPS for the year ending 30 June 2018 exceeds the specified EPS and the average share price of CACI's stock for the 90-day periods ending 30 September 2018, 2019 and 2020 exceeds the average share price of CACI's stock for the 90-day period ended 30 September 2017 by 100 percent or more, then an additional number of RSUs could be earned by participants. In addition to the performance and market conditions, there is a service vesting condition which stipulates that 50 percent of the earned award will vest on 1 October 2020 and 50 percent of the earned award will vest on 1 October 2021, in both cases dependent upon continuing service by the grantee as an employee of the Company, unless the grantee is eligible for earlier vesting upon retirement or certain other events.

The number of RSUs exercised and outstanding in 2018 and 2017, and the Weighted Average Grant-Day Fair Value (WAGDFV) of the RSUs are as follows:

	WAGDFV 2018 No.	WAGDFV 2018 £	WAGDFV 2017 No.	WAGDFV 2017 £
Exercised	14,673	43.75	6,413	45.99
Outstanding at 30 June	44,683	63.28	44,587	52.79
Weighted average remaining life (years)	1.24	-	1.44	-

28. Related party transactions

The Company is exempt from disclosing related party transactions that are with other companies that are wholly owned within the group.

29. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is CACI NV, a company incorporated in The Netherlands.

In the opinion of the directors the Company's ultimate parent undertaking and controlling entity is CACI International Inc., a company incorporated in the State of Delaware in the United States of America. CACI International Inc. is the smallest and largest parent undertaking which prepares group financial statements, copies of which are available from 110 North Glebe Road, Arlington, Virginia, 22201 USA.

30. Events after the reporting period

No matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.