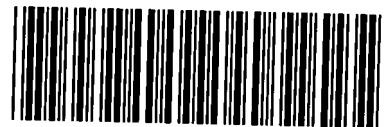


Company Registration No. 02038787 (England and Wales)

COMPLETE IMAGING LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

THURSDAY



A29 *A7J9E5X4* 22/11/2018 #80
COMPANIES HOUSE

COMPLETE IMAGING LIMITED

COMPANY INFORMATION

Directors	S J S Mayall on behalf of Capita Corporate Director Limited D P Dwyer C F Baker S M Frewing (Appointed 26 January 2017) S P Hallissey (Appointed 9 June 2017)
Secretary	Capita Group Secretary Limited
Company number	02038787
Registered office	30 Berners Street, London England W1T 3LR
Auditor	KPMG LLP 15 Canada Square London E14 5GL
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Solicitors	Herbert Smith Freehills Exchange House Primrose Street London EC2A 2HS

COMPLETE IMAGING LIMITED

CONTENTS

	Pages
Strategic report	1
Directors' report	2 - 3
Independent auditor's report to the members of Complete Imaging Limited	4 - 5
Income statement	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9-30

COMPLETE IMAGING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

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

Review of the business

Complete Imaging Limited ("the Company") is a wholly owned subsidiary of Capita plc. Capita plc along with its subsidiaries are hereafter referred to as "the Group". During the year 2017, the Company operated within the Group's IT services division.

The principal activity of the Company is that of provision and support of document solutions to industrial and commercial enterprises. There have not been any significant changes in the Company's principal activities in the year under review. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

As shown in the Company's income statement on page 6, the revenue has decreased by 18.3% from £10,855,557 to £8,867,404 over the prior year and operating profit has increased by 7.1% from £1,706,131 to £1,827,218 over the same period.

The balance sheet on page 7 of the financial statements shows the Company's financial position at the year end. Net assets have increased by 21% from £6,777,319 to £8,208,027. Details of amounts owed by/to its parent company and fellow subsidiary undertakings are shown in note 11 and 12 to the financial statements.

Key performance indicators used by Capita plc are operating margins, free cash flow, capital expenditure and return on capital employed. Capita plc and its subsidiaries manage their operations on a divisional basis and as a consequence, some of these indicators are monitored only at a divisional level. The performance of the IT services division of Capita plc for the year ending 31 December 2017 is discussed in the Group's annual report which does not form part of this report.

Principal risks and uncertainties

The Company is subject to various risks and uncertainties during the ordinary course of its business many of which result from factors outside of its control. The Company's risk management framework provides reasonable (but cannot provide absolute) assurance that significant risks are identified and addressed. An active risk management process identifies, assesses, mitigates and reports on strategic, financial, operational and compliance risk.

The principal themes of risk for the Company are:

- *Strategic:* changes in economic and market conditions such as contract pricing and competition.
- *Financial:* significant failures in internal systems of control and lack of corporate stability.
- *Operational:* including recruitment and retention of staff, maintenance of reputation and strong supplier and customer relationships, operational IT risk, and failures in information security controls.
- *Compliance:* non-compliance with laws and regulations. The Company must comply with an extensive range of requirements that govern its business.

To mitigate the effect of these risks and uncertainties, the Company adopts a number of systems and procedures, including:

- Regularly reviewing trading conditions to be able to respond quickly to changes in market conditions.
- Applying procedures and controls to manage compliance, financial and operational risks, including adhering to a strict internal control framework.

Capita plc, has also implemented appropriate controls and risk governance techniques across all our businesses which are discussed in the Group's annual report which doesn't part form part of this report.

On behalf of the Board



S J S Mayall on behalf of Capita Corporate Director Limited

Director

20 November 2018

COMPLETE IMAGING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

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

Results and dividends

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

No interim or final dividend was paid during the year (2016: £nil).

Environment

Capita plc recognises the importance of its environmental responsibilities, monitors its impact on the environment, and design designs and implements policies to reduce any damage that might be caused by the Group's activities. The Company operates in accordance with group policies, which are described in the Group's annual report which does not form part of this report. Initiatives designed to minimise the Company's impact on the environment include safe disposal of waste, recycling and reducing energy consumption.

Directors

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

S J S Mayall on behalf of Capita Corporate Director Limited

C F Baker

D P Dwyer

S M Frewing

S P Hallissey

W S Mcbrinn

(Appointed 26 January 2017)

(Appointed 9 June 2017)

(Resigned 28 February 2017)

Political donations

The Company made no political donations and incurred no political expenditure during the year (2016: £nil).

Auditor

KPMG LLP, have indicated their willingness to be appointed as auditor under section 487(2) of the Companies Act 2006.

Statement of Directors responsibilities in respect of the Strategic report, the Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 and then apply them consistently;
- make judgements and 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

COMPLETE IMAGING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

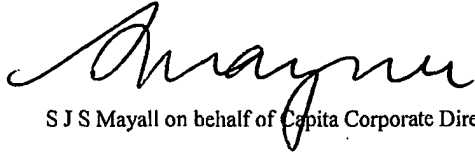
Statement of disclosure to auditor

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the Company's auditor is unaware. Having made enquiries of fellow Directors and the Company's auditor, each Director has taken all the steps that he/she might reasonably be expected to take as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Qualifying third party indemnity provisions

The Company has granted an indemnity to the Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

On behalf of the Board



S J S Mayall on behalf of Capita Corporate Director Limited

Director

20 November 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF COMPLETE IMAGING LIMITED

We have audited the financial statements of Complete Imaging Limited ("the company") for the year ended 31 December 2017 which comprise the *Income Statement, Balance Sheet, Statement of Changes in Equity* and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF COMPLETE IMAGING LIMITED

Other matter- prior period financial statements

We note that the prior period financial statements were not audited. Consequently ISAs (UK) require the auditor to state that the corresponding figures contained within these financial statements are unaudited. Our opinion is not modified in respect of this matter.

Directors' responsibilities

As explained more fully in their statement set out on page 3 and 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Kelly Dunn (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

21 November 2018

COMPLETE IMAGING LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	Unaudited 2016 £
Revenue	3	8,867,404	10,855,557
Cost of sales		(5,486,319)	(7,143,648)
Gross profit		3,381,085	3,711,909
Administrative expenses		(1,553,867)	(2,005,778)
Operating profit	4	1,827,218	1,706,131
Impairment	5	(31,767)	-
Profit before tax		1,795,451	1,706,131
Income tax expense	6	(364,743)	(362,043)
Total comprehensive income for the year		1,430,708	1,344,088

The income statement has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the income statement.

The notes on pages 9 to 30 form an integral part of financial statements.

COMPLETE IMAGING LIMITED

BALANCE SHEET AS AT DECEMBER 2017

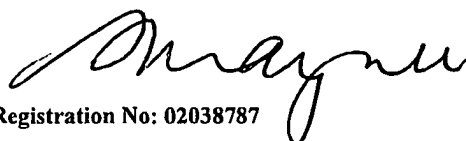
			Unaudited
	Notes	2017	2016
		£	£
Non-current assets			
Property, plant and equipment	7	77,381	145,977
Intangible assets	8	-	30,767
Investments	9	-	1,000
Deferred tax		23,469	36,701
		100,850	214,445
Current assets			
Inventories	10	1,066,706	671,364
Cash		1,513,937	244,152
		10,010,514	8,658,273
Total assets		10,111,364	8,872,718
Current liabilities			
Trade and other payables	12	1,206,492	1,297,591
Provisions	14	2,739	58,188
Income tax payable		462,483	436,259
		1,671,714	1,792,038
Non-current liabilities			
Financial liabilities	13	114,023	219,441
Provisions	14	117,600	83,920
		231,623	303,361
Total liabilities		1,903,337	2,095,399
Net assets		8,208,027	6,777,319
Capital and reserves			
Issued share capital	15	94,750	94,750
Capital redemption reserve		5,250	5,250
Retained earnings		8,108,027	6,677,319
Total equity		8,208,027	6,777,319

The notes on pages 9 to 30 form an integral part of financial statements.

Approved by the Board and authorised for issue on 20 November 2018

S J S Mayall on behalf of Capita Corporate Director Limited

Director



Company Registration No: 02038787

COMPLETE IMAGING LIMITED

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

	Share capital	Capital redemption reserve	Retained earnings	Total
	£	£	£	£
At 1 January 2016 - unaudited	94,750	5,250	5,333,231	5,433,231
Total comprehensive income for the year - unaudited	-	-	1,344,088	1,344,088
Total comprehensive income for the year	-	-	1,430,708	1,430,708
At 31 December 2017	94,750	5,250	8,108,027	8,208,027

a) Share capital

The balance classified as share capital is the nominal proceeds on issue of the Company's equity share capital, comprising 94,750 ordinary share of £1 each.

b) Capital redemption reserve

The Company can redeem shares by repaying the market value to the shareholder whereupon the shares are cancelled. Redemption must be from distributable profits. The capital redemption reserve represents the nominal value of shares redeemed.

c) Retained earnings

Net profits kept to accumulate in the Company after dividends are paid and retained in the business as working capital.

The notes on pages 9 to 30 form an integral part of financial statements.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

1.1 Basis of preparation

Complete Imaging Limited is a company incorporated and domiciled in the UK.

The financial statements are prepared under the historical cost basis except where stated otherwise and in accordance with applicable accounting standards.

The Company has sufficient financial resources together with long standing relationships with clients and suppliers. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully. After making enquires, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.2 Compliance with accounting standards

The Company has applied FRS101 – Reduced Disclosure Framework in the preparation of its financial statements. The Company has prepared and presented these financial statements by applying the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU-IFRSs"), but made amendments, where necessary, in order to comply with The Companies Act 2006.

From the year ended 31 December 2017, the Company has elected to present its financial statements under IAS 1 format to be in line with the consolidated financial statements published by the Group. Accordingly, the comparatives for the year ended 31 December 2016 have been reclassified to the revised format. Refer to Note 22 for a reconciliation between IAS 1 presentation and presentation as previously reported.

The Company's ultimate parent undertaking, Capita plc, includes the Company in its consolidated statements. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU (EU-IFRS) and are available to the public and may be obtained from Capita plc's website on <http://investors.capita.com>.

In these financial statements, the Company has applied the disclosure exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy;
- Certain disclosures required by IFRS 15 Revenue from Contract with Customers; and
- Disclosures in respect of the compensation of key management personnel.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.2 Compliance with accounting standards (continued)

As the consolidated financial statements of Capita plc include equivalent disclosures, the Company has also taken the disclosure exemptions under FRS 101 available in respect of the following disclosure:

- Certain disclosures required by IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairments of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company, in the current and prior periods including the comparative period reconciliation for goodwill; and
- Disclosures required by IFRS 7 Financial Instrument Disclosures.

1.3 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except for the early adoption of IFRS 15 Revenue from Contracts with Customers and Clarifications: Revenue from Contracts with Customers.

Initial adoption of IFRS 15 Revenue from Contracts with Customers

The standard has an effective date of 1 January 2018 but the Company has decided to early adopt this standard with a date of initial application to the Company of 1 January 2017 using the full retrospective method. IFRS 15 replaces all existing revenue requirements in IFRS and applies to all revenue arising from contracts with customers unless the contracts are within the scope of other standards such as IAS 17 Leases.

The standard outlines the principles entities must apply to measure and recognise revenue with the core principle being that entities should recognise revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for fulfilling its performance obligations to a customer.

The principles in IFRS 15 must be applied using the following 5 step model:

- 1 Identify the contract(s) with a customer
- 2 Identify the performance obligations in the contract
- 3 Determine the transaction price
- 4 Allocate the transaction price to the performance obligations in the contract
- 5 Recognise revenue when or as the entity satisfies its performance obligations

The standard requires entities to exercise considerable judgement taking into account all the relevant facts and circumstances when applying each step of this model to its contracts with customers. The standard also specifies how to account for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract, as well as requirements covering matters such as licences of intellectual property, warranties, principal versus agent assessment and options to acquire additional goods or services.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.3 Changes in accounting policies (continued)

The Company has applied IFRS 15 fully retrospectively in accordance with paragraph C3 (a) of the standard, restating the prior period's comparatives and electing to use the following expedients:

- in respect of completed contracts, the Company will not restate contracts that (i) begin and end within the same annual reporting period; or
- (ii) are completed contracts at the beginning of the earliest period presented (para. C5(a));
- in respect of completed contracts that have variable consideration, the Company will use the transaction price at the date the contract was completed rather than estimating variable consideration amounts in the comparative periods (para. C5(b)); and
- for all reporting periods presented before the date of initial application, the Company will not disclose the amount of the transaction price allocated to the remaining performance obligations or an explanation of when the Company expects to recognise that amount as revenue (para C5(c)).

Early adoption of IFRS 15 does not have any impact on the Company's prior period financial statements.

1.4 Revenue recognition

Revenue is earned within the United Kingdom.

The Company operates in the service sector rendering IT solutions and services and therefore uses a method for revenue recognition based on the principles set out in IFRS 15.

The revenue and profits recognised in any period are based on the delivery of performance obligations and an assessment of when control is transferred to the customer.

In determining the amount of revenue and profits to record, and related balance sheet items (such as contract fulfilment assets, capitalisation of costs to obtain a contract, trade receivables, accrued income and deferred income) to recognise in the period, management is required to form a number of key judgements and assumptions. This includes an assessment of the costs the Company incurs to deliver the contractual commitments and whether such costs should be expensed as incurred or capitalised. These judgements are inherently subjective and may cover future events such as the achievement of contractual milestones, performance KPIs and planned cost savings.

Revenue is recognised either when the performance obligation in the contract has been performed (so 'point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

For contracts with multiple components to be delivered such as transformation, transitions and the delivery of outsourced services, management applies judgement to consider whether those promised goods and services are (i) distinct - to be accounted for as separate two performance obligations; (ii) not distinct - to be combined with other promised goods or services until a bundle is identified that is distinct or (iii) part of a series of distinct goods and services that are substantially the same and have the same pattern of transfer to the customer

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.4 Revenue recognition (continued)

At contract inception the total transaction price is estimated, being the amount to which the Company expects to be entitled and has rights to under the present contract. This includes an assessment of any variable consideration where the Company's performance may result in additional revenues based on the achievement of agreed KPIs. Such amounts are only included based on the expected value or the most likely outcome method, and only to the extent that it is highly probable that no revenue reversal will occur.

The transaction price does not include estimates of consideration resulting from change orders for additional goods and services unless these are agreed.

Once the total transaction price is determined, the Company allocates this to the identified performance obligations in proportion to their relative stand-alone selling prices and recognises revenue when (or as) those performance obligations are satisfied. The Company sells standard products with observable standalone prices due to the specialised services required by customers and therefore the Company applies judgement to determine an appropriate standalone selling price.

The Company may offer price step downs during the life of a contract, but with no change to the underlying scope of services to be delivered. In general, any such variable consideration, price step down or discount is included in the total transaction price to be allocated across all performance obligations unless it relates to only one performance obligation in the contract.

For each performance obligation, the Company determines if revenue will be recognised over time or at a point in time. Where the Company recognises revenue over time for long term contracts, this is in general due to the Company performing and the customer simultaneously receiving and consuming the benefits provided over the life of the contract.

For each performance obligation to be recognised over time, the Company applies a revenue recognition method that faithfully depicts the Company's performance in transferring control of the goods or services to the customer. This decision requires assessment of the real nature of the goods or services that the Company has promised to transfer to the customer. The Company applies the relevant output or input method consistently to similar performance obligations in other contracts.

When using the output method, the Company recognises revenue on the basis of direct measurements of the value to the customer of the goods and services transferred to date relative to the remaining goods and services under the contract. Where the output method is used, for long term service contracts where the series guidance is applied (see below for further details). Certain long-term contracts use output methods based upon estimation of number of users, level of service activity or fees collected.

If performance obligations in a contract do not meet the overtime criteria, the Company recognises revenue at a point in time (see below for further details).

The Company disaggregates revenue from contracts with customers by contract type, as management believe this best depicts how the nature, amount, timing and uncertainty of the Company's revenue and cash flows are affected by economic factors.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.4 Revenue recognition (continued)

Long term contractual - greater than 2 years

The Company provides a range of services in various segments under customer contracts with a duration of more than two years.

The nature of contracts or performance obligations categorised within this revenue type is diverse and includes (i) long term outsourced service arrangements in the public and private sectors; and (ii) active software licence arrangements (see definition below).

The Company considers that the services provided meet the definition of a series of distinct goods and services as they are (i) substantially the same and (ii) have the same pattern of transfer (as the series constitutes services provided on a regular basis and therefore treats the series as one performance obligation). Even if the underlying activities performed by the Company to satisfy a promise vary significantly throughout the day and from day to day, that fact, by itself, does not mean the distinct goods or services are not substantially the same.

For the majority of long service contracts with customers in this category, the Company recognises revenue using the output method as it best reflects the nature in which the Company is transferring control of the goods or services to the customer.

Active software licences are those where the Company has a continuing involvement after the sale or transfer of control to the customer, which significantly affects the intellectual property to which the customer has rights. The Company is in a majority of cases responsible for any maintenance, continuing support, updates and upgrades and accordingly the sale of the initial software is not distinct.

The Company's accounting policy for licences is discussed in more detail below.

Short term contractual - less than 2 years

The nature of contracts or performance obligations categorised within this revenue type is diverse and includes (i) short term outsourced service arrangements in the public and private sectors; and (ii) software maintenance contracts.

The Company has assessed that maintenance and support (i.e. on-call support, remote support) for software licences is a performance obligation that can be considered capable of being distinct and separately identifiable in a contract if the customer has a passive licence. These recurring services are substantially the same as the nature of the promise is for the Company to 'stand ready' to perform maintenance and support when required by the customer. Each day of standing ready is then distinct from each following day and is transferred in the same pattern to the customer.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.4 Revenue recognition (continued)

Transactional (Point in time) contracts

The Company delivers a range of goods or services in all reportable segments that are transactional services for which revenue is recognised at the point in time when control of the goods or services has transferred to the customer. This may be at the point of physical delivery of goods and acceptance by a customer or when the customer obtains control of an asset or service in a contract with customer-specified acceptance criteria.

The nature of contracts or performance obligations categorised within this revenue type is diverse and includes (i) provision of IT hardware goods; (ii) passive software licence agreements; and (iii) fees received in relation to delivery of professional services.

Passive software licences are licences which have significant stand-alone functionality and the contract does not require, and the customer does not reasonably expect, the Company to undertake activities that significantly affect the licence. Any ongoing maintenance or support services for passive licences are likely to be separate performance obligations. The Company's accounting policy for licences is discussed in more detail below.

Contract modifications

The Company's contracts are often amended for changes in contract specifications and requirements. Contract modifications exist when the amendment either creates new or changes the existing enforceable rights and obligations.

The effect of a contract modification on the transaction price and the Company's measure of progress for the performance obligation to which it relates, is recognised as an adjustment to revenue in one of the following ways:

- a. prospectively as an additional separate contract;
- b. prospectively as a termination of the existing contract and creation of a new contract;
- c. as part of the original contract using a cumulative catch up; or
- d. as a combination of b) and c).

For contracts for which the Company has decided there is a series of distinct goods and services that are substantially the same and have the same pattern of transfer where revenue is recognised over time, the modification will always be treated under either a) or b). d) may arise when a contract has a part termination and a modification of the remaining performance obligations.

The facts and circumstances of any contract modification are considered individually as the types of modifications will vary contract by contract and may result in different accounting outcomes.

Judgement is applied in relation to the accounting for such modifications where the final terms or legal contracts have not been agreed prior to the period end as management need to determine if a modification has been approved and if it either creates new or changes existing enforceable rights and obligations of the parties. Depending upon the outcome of such negotiations, the timing and amount of revenue recognised may be different in the relevant accounting periods. Modification and

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.4 Revenue recognition (continued)

amendments to contracts are undertaken via an agreed formal process. For example, if a change in scope has been approved but the corresponding change in price is still being negotiated, management use their judgement to estimate the change to the total transaction price. Importantly any variable consideration is only recognised to the extent that it is highly probable that no revenue reversal will occur.

Principal versus agent

The Company has arrangements with some of its customers whereby it needs to determine if it acts as a principal or an agent as more than one party is involved in providing the goods and services to the customer. The Company acts as a principal if it controls a promised good or service before transferring that good or service to the customer. The Company is an agent if its role is to arrange for another entity to provide the goods or services. Factors considered in making this assessment are most notably the discretion the Company has in establishing the price for the specified good or service, whether the Company has inventory risk and whether the Company is primarily responsible for fulfilling the promise to deliver the service or good.

Where the Company is acting as a principal, revenue is recorded on a gross basis. Where the Company is acting as an agent revenue is recorded at a net amount reflecting the margin earned.

Licences

Software licences delivered by the Company can either be right to access ('active') or right to use ('passive') licences. Active licences are licences which require continuous upgrade and updates for the software to remain useful, all other licences are treated as passive licences. The assessment of whether a licence is active or passive involves judgement. The key determinant of whether a licence is active is whether the Company is required to undertake activities that significantly affect the licensed intellectual property (or the customer has a reasonable expectation that it will do so) and the customer is, therefore, exposed to positive or negative impacts resulting from those changes.

When software upgrades are sold as part of the software licence agreement (i.e. software upgrades are promised to the customer), the Company applies judgement to assess whether the software upgrade is distinct from the licence (i.e. a separate performance obligation). If the upgrade is considered fundamental to the ongoing use of the software by the customer, the upgrades are not considered distinct and not accounted for as a separate performance obligation.

The Company considers for each contract that includes a separate licence performance obligation all the facts and circumstances in determining whether the licence revenue is recognised over time or at a point in time from the go live date of the licence. Currently the performance obligation for all the contracts for licensing arrangements are satisfied at the onset of the contract and hence the revenue is recognised at a point in time when the obligation is fulfilled, generally upfront.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.4 Revenue recognition (continued)

Contract related assets and liabilities

As a result of the contracts which the Company enters into with its customers, a number of different assets and liabilities are recognised on the Company's balance sheet. These include but are not limited to:

- Property, plant and equipment*
- Intangible assets*
- Trade receivables*
- Accrued income^
- Deferred income^

Contract fulfilment assets

Contract fulfilment costs are divided into (i) costs that give rise to an asset; and (ii) costs that are expensed as incurred.

When determining the appropriate accounting treatment for such costs, the Company firstly considers any other applicable standards.

If those other standards preclude capitalisation of a particular cost, then an asset is not recognised under IFRS 15.

If other standards are not applicable to contract fulfilment costs, the Company applies the following criteria which, if met, result in capitalisation:

(i) the costs directly relate to a contract or to a specifically identifiable anticipated contract; (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) the costs are expected to be recovered.

The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recoverable. The Company regularly incurs costs to deliver its outsourcing services in a more efficient way (often referred to as 'transformation' costs).

These costs may include process mapping and design, system development, project management, hardware (generally in scope of the Company's accounting policy for property, plant and equipment), software licence costs (generally in scope of the Company's accounting policy for intangible assets), recruitment costs and training.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.4 Revenue recognition (continued)

Utilisation, derecognition and impairment of contract fulfilment assets and capitalised costs to obtain a contract

The Company utilises contract fulfilment assets and capitalised costs to obtain a contract to cost of sales over the expected contract period using a systematic basis that mirrors the pattern in which the Company transfers control of the service to the customer.

The utilisation charge is included within cost of sales. Judgement is applied to determine this period, for example whether this expected period would be the contract term or a longer period such as the estimated life of the customer relationship for a particular contract if, say, renewals are expected.

A contract fulfilment asset or capitalised costs to obtain a contract is derecognised either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

Management is required to determine the recoverability of contract related assets within property, plant and equipment, intangible assets as well as contract fulfilment assets, capitalised costs to obtain a contract, accrued income and trade receivables. At each reporting date, the Company determines whether or not the contract fulfilment assets and capitalised costs to obtain a contract are impaired by comparing the carrying amount of the asset to the remaining amount of consideration that the Company expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Company uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant contracts or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract.

The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific KPIs that could trigger variable consideration, or service credits.

Where a contract is anticipated to make a loss, these judgements are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Deferred and accrued income

The Company's customer contracts include a diverse range of payment schedules dependent upon the nature and type of goods and services being provided. The Company often agrees payment schedules at the inception of long term contracts under which it receives payments throughout the term of the contracts. These payment schedules include performance-based payments as well as regular monthly or quarterly payments for ongoing service delivery. Payments for transactional goods and services may be at delivery date, in arrears or part payment in advance.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.4 Revenue recognition (continued)

Where payments made are greater than the revenue recognised at the period end date, the Company recognises a deferred income contract liability for this difference. Where payments made are less than the revenue recognised at the period end date, the Company recognises an accrued income contract asset for this difference.

1.5 Investments

All investments are initially recorded at their cost. Subsequently they are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

1.6 Inventories

Inventories are valued at the lower of cost and net realisable value.

1.7 Cash and cash equivalents

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

1.8 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from the initial recognition of goodwill;
- except where the deferred income tax liability arises from the initial recognition of 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 nor taxable profit or loss; and

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.8 Taxation (continued)

– in respect of taxable temporary differences associated with investments in subsidiaries, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised, except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of 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 nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

1.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost. The Company provides, on a discounted basis, for the future rent expense and related cost of leasehold property (net of estimated sub-lease income) where the space is vacant or currently not planned to be used for ongoing operations.

1.10 Pensions

The Company participates in defined contribution pension schemes and contributions are charged to the Income Statement in the year in which they are due. These schemes are funded and the payment of contributions is made to separately administered trust funds. The assets of these schemes are held separately from the Company. The Company remits monthly pension contributions to Capita Business Services Limited, a fellow subsidiary undertaking of Capita plc, which pays the Group liability centrally. Any unpaid pension contributions at the year end have been accrued in the accounts of that Company.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.11 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date and is concerned with whether the fulfilment of the arrangement is dependent upon the use of a specific asset or assets and the arrangement conveys a right to use the asset.

In assessing whether a lease is an operating lease or a finance lease, judgement needs to be exercised in determining whether or not substantially all the risks and rewards of ownership of the leased asset are held by the Company. Given that finance leases are recognised as liabilities, and operating leases are not, this can have a significant effect on the reported financial position of the Company.

Company as a lessee: Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalised leased assets are depreciated over the shorter of the estimated life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

Where a lease is for an asset sold by the Company to the lessor, the two transactions are accounted for separately. If the sale-and-leaseback results in a finance lease, then any gain on the sale is deferred and recognised as income over the lease term.

If the leaseback is classified as an operating lease, then any gain is recognised immediately if the sale-and-leaseback terms are at fair value. If the sale-and-leaseback are not deemed to be at fair value then the accounting is as follows:

- if the selling price is at or below fair value, then the gain or loss is recognised immediately. However, if a loss is compensated for by future rentals at below-market price, then the loss is deferred and amortised over the period in which the asset is expected to be used;
- if the selling price exceeds fair value, then that excess is deferred and amortised over the period for which the asset is expected to be used; and
- if the fair value of the asset is less than the carrying amount of the asset at the date of the transaction, then that difference is recognised immediately as a loss on the sale.

As noted above the assessment of whether the sale-and-leaseback transactions are at fair value may require significant judgement in addition to that applied to determine whether the lease is an operating or finance lease, and the resulting accounting can have a significant effect on the reported results of the Company.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (continued)

1.12 Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold land and Buildings	Over the term of the lease
Computer Equipment	3-5 years

1.13 Group accounts

The financial statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group accounts as it is fully exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Capita plc, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

1.14 Financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, and trade and other payables.

Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Trade and other payables

Trade and other payables are recognised initially at fair value. In case of long-term trade payables, subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.15 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The 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 is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

COMPLETE IMAGING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires the Directors to make judgements and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported income and expense during the reported periods. Although these judgements and assumptions are based on the directors' best knowledge of the amount, events or actions, actual results may differ.

The Company determines whether goodwill is impaired on an annual basis or more frequently as required and this requires an estimation of the value in use of the cash-generating units to which the intangible assets are allocated utilising an estimation of future cash flows and choosing a suitable discount rate.

The measurement of provisions reflects management's assessment of the probable outflow of economic benefits resulting from an existing obligation. Provisions are calculated on a case by case basis and involve judgement as regards the final timing and quantum of any financial outlay.

The measurement of revenue and resulting profit recognition - due to the size and complexity of some of the Company's contracts, there are judgements to be applied, including the measurement and timing of revenue recognition and the recognition of assets and liabilities, including an assessment of onerous contract, that result from the performance of the contract (see 1.4).

COMPLETE IMAGING LIMITED

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

3 Revenue

The total revenue of the Company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

4 Operating profit for the year	2017	Unaudited 2016
	£	£
Operating profit for the year is stated after charging:		
Depreciation of property, plant and equipment	69,312	69,038
Operating lease rentals - other assets	52,000	54,255
Operating lease rentals - plant and machinery	84,005	126,493

Audit fees are borne by the ultimate parent undertaking, Capita plc. The audit fee for the current period was £16,441 (2016: £nil). The Company has taken advantage of the exemption provided by regulations 6(2)(b) of the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 not to provide information in respect of fees for other (non-audit) services as this information is required to be given in the Company financial statement of the ultimate parent undertaking, which it is required to prepare in accordance with the Companies Act, 2006.

5 Impairment	2017	Unaudited 2016
	£	£
On investments	1,000	-
On goodwill	30,767	-
	31,767	-

COMPLETE IMAGING LIMITED

(CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

6 Income tax

The major components of income tax expense for the years ended 31 December 2017 and 2016 are:

	Unaudited	
	2017	2016
	£	£
Current income tax		
Current income tax charge	375,684	344,560
Adjustment in respect of prior years	(24,173)	28,669
	351,511	373,229
Deferred income tax		
Origination and reversal of temporary differences	(4,159)	(1,323)
Adjustment in respect of prior years	17,391	(9,863)
	13,232	(11,186)
Total tax expense	364,743	362,043

The reconciliation between tax expense and the product of accounting profit multiplied by the UK corporation tax rate for the years ended 31 December 2017 and 2016 is as follows:

	Unaudited	
	2017	2016
	£	£
Profit before tax	1,795,451	1,706,131
Notional charge at UK corporation tax rate of 19.25% (2016: 20%)	345,624	341,226
Taxation impact of factors affecting tax charge:		
Expenses not deductible for tax purposes	26,830	2,479
Brought forward losses utilised, previously unrecognised	(1,480)	(3,014)
Impact of changes in statutory tax rates	550	2,546
Adjustments in respect of current income tax of prior years	(24,172)	28,669
Adjustments in respect of deferred income tax of prior years	17,391	(9,863)
Total adjustments	19,119	20,817
Total tax charge for the year at the effective rate of 20.31% [2016: 21.22%]	364,743	362,043

	Balance sheet		Income statement	
	2017	2016	2017	2016
Deferred tax asset				
Accelerated/Deaccelerated capital allowances	23,469	19,000	(4,469)	850
Other temporary differences	-	17,701	17,701	(12,036)
Net deferred tax asset	23,469	36,701		
Deferred income tax expense/(credit)			13,232	(11,186)
Income Statement			13,232	(11,186)

The UK corporation tax rate decreased from 20% to 19% on 1 April 2017 and will decrease further to 17% from 1 April 2020. The deferred tax balances have been adjusted to reflect this change.

COMPLETE IMAGING LIMITED

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

7 Property, plant and equipment

	Leasehold land & buildings £	Computer Equipment £	Total £
Cost			
At 1 January 2017	88,088	153,241	241,329
Additions	-	716	716
Asset retirement	-	(60,468)	(60,468)
At 31 December 2017	88,088	93,489	181,577
Depreciation and impairment			
At 1 January 2017	16,149	79,203	95,352
Depreciation	17,618	51,694	69,312
Asset retirement	-	(60,468)	(60,468)
At 31 December 2017	33,767	70,429	104,196
Net book value			
At 31 December 2017	54,321	23,060	77,381
At 31 December 2016	71,939	74,038	145,977

8 Intangible assets

	Goodwill £
Cost	
At 1 January 2017	30,767
At 31 December 2017	30,767
Impairment	
At 1 January 2017	-
Impaired during the year	30,767
At 31 December 2017	30,767
Net book value	
At 31 December 2017	-
At 31 December 2016	30,767

The goodwill pertains to the business of Data Equipments Limited which stopped its trading on 1 September 2015. Hence goodwill pertaining to the same has been impaired.

COMPLETE IMAGING LIMITED

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

9 Investments

Particulars	Shares in subsidiary undertakings £
Cost	
At 1 January 2017 & 31 December 2017	190,393
Impairment	
At 1 January 2017	189,393
Charge for the year	1,000
At 31 December 2017	190,393
Net book Value	
At 31 December 2017	-
At 31 December 2016	1,000

Holdings of ordinary share capital

Details of the Company's subsidiaries at 31 December 2017 are as follows:

Company	Registered office	Ordinary shares		Nature of business
		held	(%)	
Data Equipment Limited	30 Berners Street, London, England, W1T 3LR	100		Provision of document solutions
Complete Imaging Trustee Company Limited	30 Berners Street, London, England, W1T 3LR	100		Trustee

COMPLETE IMAGING LIMITED

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

10 Inventories

	2017	Unaudited 2016
	£	£
Finished goods	1,066,705	671,364
Total	1,066,706	671,364

11 Trade and other receivables

	2017	Unaudited 2016
	£	£
Trade receivables	986,366	1,069,406
Prepayments	4,469	20,473
Accrued income	305,228	552,635
Amount due from parent and fellow subsidiary undertakings	6,133,809	6,100,243
Total	7,429,872	7,742,757

12 Trade and other payables

	2017	Unaudited 2016
	£	£
Trade payables	873,120	805,275
Other payables	173	3,423
Other taxes and social security	171,097	279,799
Deferred income	22,298	28,937
Amount due to parent and fellow subsidiary undertakings	41,899	50,523
Accruals	97,905	129,634
Total	1,206,492	1,297,591

13 Financial liabilities

	2017	Unaudited 2016
	£	£
Obligation under finance lease	114,023	219,441
Total	114,023	219,441

COMPLETE IMAGING LIMITED

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

14 Provisions

Particulars	Property	Restructuring	Total
At 1 January 2017 - unaudited	130,339	11,769	142,108
Additions	-	33,376	33,376
Utilisation	(10,000)	(45,145)	(55,145)
At 31 December 2017	120,339	-	120,339

The Property provision represents both dilapidation provisions and empty property provisions. The company is required to perform repairs on leased properties prior to the properties being vacated at the end of their lease term. Dilapidation provisions for such costs are where a legal obligation is identified and the liability can be reasonably quantified. Empty property provision is made for future rent expense and related cost of leasehold property where the space is vacant or currently not being used for ongoing operations. The expenditure is expected to be incurred over the remaining periods of the leases.

The restructuring provision is in respect of the cost of the major restructuring activities undertaken by the company commencing in the last quarter of 2016. It represents the cost of reducing role count where there is a constructive obligation created through communication to affected employees which has crystallised a valid expectation that roles are at risk. Additionally it reflects the onerous nature of property lease provisions (net of any sub-letting opportunity) on a discounted basis, where due to the reduced requirement for space due to the redundancy programme there is additional surplus capacity.

15 Issued share capital

	Unaudited		Unaudited	
	2017	2016	2017	2016
	Number	Number	£	£
Ordinary share capital				
Allotted called up and fully paid up				
Ordinary share of £ 1 each				
At 1 January - unaudited	94,750	94,750	94,750	94,750
At 31 December	94,750	94,750	94,750	94,750

16 Operating lease commitments

At the reporting date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows :

	Motor vehicles	
	Unaudited	
	Restated	
	2017	2016
	£	£
Within one year	31,955	55,336
Between two and five years	20,566	70,864
Total	52,521	126,200

COMPLETE IMAGING LIMITED

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

17 Employee Benefits

The total costs charged to income in respect of defined contribution plans is £48,327 (2016 : £51,361).

18 Employees

The average monthly number of employees (including non-executive directors) were:

	2017	Unaudited 2016
	Number	Number
Sales	10	14
Operations	28	36
Administration	7	13
Total	45	63

Their aggregate remuneration comprised:

	2017	Unaudited 2016
	£	£
Employment costs		
Wages and salaries	1,746,387	2,057,690
Social security costs	182,231	214,576
Pension costs	48,327	51,361
Total	1,976,945	2,323,627

19 Director's remuneration

No Directors were paid by the Company. The Directors have not provided qualifying services to the Company and are paid by other Companies within the Capita Group. Such remuneration has not been allocated to the Company.

In addition to the above, the Directors of the Company were reimbursed for the expenses incurred by them whilst performing business responsibilities.

20 Controlling party

The Company's immediate parent undertaking is Capita Holdings Limited, a Company incorporated in England and Wales.

The Company's ultimate parent undertaking is Capita Plc, a Company incorporated in England and Wales. The accounts of Capita Plc are available from the registered office at 30 Berners Street, London, United Kingdom W1T 3LR.

21 Post balance sheet events

There are no significant events which have occurred after the reporting period.

COMPLETE IMAGING LIMITED

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

22 Reconciliation of 2016

Balance sheet restatement as on 31 December 2016

Following is the reconciliation between presentation as per IAS I and presentation as previously reported for the comparative period of 2016:

Schedule I (FRS 101)	Foot note	2016 £	Reclass from FRS to IAS	IAS I	2016 £
Fixed assets				Non-current assets	
Tangible fixed assets		145,977		- Property, plant and equipment	145,977
Intangible fixed assets		30,767		- Intangible assets	30,767
Investments		1,000		- Investments	1,000
	A		36,701	Deferred tax	36,701
		177,744	36,701		214,445
Current assets				Current assets	
Inventory		1,223,999		- Inventories	671,364
Debtors	A	7,226,823	(36,701)	Trade and other receivables	7,742,757
Cash at bank and in hand		244,152		- Cash	244,152
		8,694,974	(36,701)		8,658,273
				- Total assets	8,872,718
				Current liabilities	
Creditors: amounts falling due within one year	B	1,733,850	(436,259)	Trade and other payables	1,297,591
	B		436,259	Income tax payable	436,259
	C		58,188	Provisions	58,188
			58,188	Total current liabilities	1,792,038
Net current assets		6,961,124			
Total assets less current liabilities		7,138,868			
				Non-current liabilities	
Creditors: amounts falling due after more than one year	C	219,441		- Financial liabilities	219,441
Provision for liabilities		142,108	(58,188)	Provisions	83,920
			(58,188)		303,361
				- Total liabilities	2,095,399
		6,777,319		- Net assets	6,777,319
Capital and reserves				Capital and reserves	
Called up share capital		94,750		- Issued share capital	94,750
Share premium account		5,250		- Share premium	5,250
Profit and loss account		6,677,319		- Retained earnings	6,677,319
Shareholders' funds		6,777,319		- Total equity	6,777,319

Foot note:

Note A : Deferred tax assets which was earlier classified under the head " Debtors" is now shown separately on the face of Balance sheet.

Note B : Creditors: Amounts falling due within one year included income tax payable. This is now separately shown on the face of Balance sheet.

Note C : Creditors: Amounts falling due after more than one year included obligation under finance lease. This is now classified under the heading "financial liabilities".