



ATA Global Staffing Solutions Limited



Report and financial statements
Year ended 31 December 2016

Company information

Directors	A M Pendlebury S L Dye
Secretary	S L Dye
Company number	03125335
Registered office	The Derby Conference Centre London Road Derby DE24 8UX
Auditor	BDO LLP Regent House Clinton Avenue Nottingham NG5 1AZ

Contents

Strategic Report	1-2
Directors' Report	3-4
Independent Auditor's report to the members of ATA Global Staffing Solutions Limited	5-6
Statement of comprehensive income	7
Statement of changes in equity	8
Statement of financial position	9
Notes to the financial statements	10-20

Strategic Report

Year ended 31 December 2016

The Director's present their strategic report for the year ended 31 December 2016.

Results and dividends

The profit for the year, after taxation, amounted to £1,000 (2015: £Nil). The directors have paid a dividend of £Nil (2015: £177,000) to the Company's parent.

Review of 2016

The Company successfully rebid its core contract with Kellog, Brown, Root (KBR), securing a base level of contract margin for 2017 and beyond.

Key performance indicators

Success will predominantly be measured by the company's contribution to its parent's profit from operations £0.4m (2015: £0.5m).

Risks and uncertainties

Economic conditions

The outcome of the EU referendum continues to make the UK economic outlook uncertain. However, this uncertainty has not impacted the Company to date and is not expected to have an impact given the Company's services are delivered in non-European jurisdictions and demand is not driven by Europe.

Loss of key customers

Loss of the Company's key customer is a significant risk. To minimise this risk the Company's strategy is to actively retain existing customers and contracts. The company has successfully negotiated having to rebid all of its work with its key customer during the year. The Company continues to look for new clients and to identify new market opportunities to spread the risk. We also take very seriously our commitment to providing excellent service and building and maintaining customer relationships.

Credit risk

The inability of a key customer to pay amounts owing to us due to financial difficulties is a risk. To minimise such risks we employ pro-active credit control techniques. We credit check new customers and subscribe to a monitoring service and we monitor payment patterns and debt levels against credit limits. In addition, the Board is regularly appraised of debt levels and ageing.

Attracting and retaining key personnel

The Company is reliant on its ability to recruit, train and retain its staff to deliver its growth plans. We continue to ensure that overall packages are competitive and include performance related commissions to incentivise staff. Succession plans are regularly reviewed.

Reliance on technology

Failure of our IT systems would cause significant disruption to the business. The Company has a robust disaster recovery plan in place that has been successfully tested.

Cyber security

The Company holds certain data observing strict compliance obligations and a cyber-attack could interrupt business, threaten confidentiality and lead to loss of client and candidate confidence. The Company is responding to this threat in a number of ways including system security measures and raising awareness with and training our staff to be vigilant.

Strategic Report

Year ended 31 December 2016

Financial instruments

The Company has used its inter group treasury facility and invoice discounting facility, which is secured by a cross guarantee and debenture over all group companies (see note 15).

Outlook and future developments

It is anticipated that the Company's key customer (KBR) will continue to support NATO in Afghanistan and other jurisdictions throughout 2017 and potentially into 2018. The Company will continue to support its key customer's growth plans and pursue other appropriate opportunities in its sphere of expertise.

This report was approved by the board on 8 March 2017 and signed on its behalf.



S L Dye
Secretary

Directors' Report

Year ended 31 December 2016

The directors submit their report and the financial statements for the year ended 31 December 2016.

Principal activities

The principal activity of the Company during the year was that of labour supply.

Directors

The directors who served during the year were as follows:

A M Pendlebury

S L Dye

Directors' indemnities

The Company has qualifying third party indemnity provisions for the benefit of its directors which remains in force at the date of this report.

Likely future developments in the business of the Company

Information on likely future developments in the business of the Company has been included in the Strategic Report.

Post balance sheet events

There have been no significant events to report since the date of the balance sheet.

Equality Diversity and Inclusion

We are committed to developing, maintaining and supporting a culture of equality, diversity and inclusion in our workforce, creating a working environment in which there is no unlawful discrimination and where decisions are based on merit. The Group Board have demonstrated their commitment to EDI through top down engagement and directors and senior managers are championing EDI across the Group.

An EDI training programme is being rolled out to ensure that everyone is aware of the Company's commitment to EDI, to highlight the benefits of a diverse workforce and to ensure that everyone is aware of their rights and obligations.

2017 will see the training programme completed along with the collation and analysis of EDI data for all employees. This information will give a baseline against which we can measure our EDI progress as well as giving our clients the information they require to monitor theirs.

Employee Engagement

Employee engagement is critical to our success and as such we seek to review our internal communications and make improvements as and when required. We plan to undertake an employee engagement survey to understand the views of our employees and to help highlight areas in which we could improve.

Directors' Report

Year ended 31 December 2016

Provision of information to auditor

So far as each of the directors is aware at the date the report is approved:

- there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps they should have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' Responsibilities Statement

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), including FRS 101 "Reduced Disclosure Framework" ("FRS 101") 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 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The 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.

Auditors

All of the directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the Company's auditor is unaware.

This report was approved by the board on 8 March 2017 and signed on its behalf.



S L Dye
Secretary

Independent Auditor's report to the members of ATA Global Staffing Solutions Limited

We have audited the financial statements of ATA Global Staffing Solutions Limited for the year ended 31 December 2016 which comprise the statement of comprehensive income, the statement of changes in equity, the statement of financial position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion 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 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 the directors' report.

Independent Auditor's report to the members of ATA Global Staffing Solutions Limited

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

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



Richard Wilson (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Nottingham
8 March 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of comprehensive income

Year ended 31 December 2016

	Note	2016 £'000	2015 £'000
Revenue	1,2	9,575	9,693
Cost of sales		(8,409)	(8,205)
Gross profit		1,166	1,488
Administrative expenses		(1,164)	(1,486)
Profit before tax	3	2	2
Tax expense	5	(1)	(2)
Total comprehensive income for the year		1	-

The notes on pages 10 to 20 form part of these financial statements

Statement of changes in equity

Year ended 31 December 2016

	Share capital £'000	Other reserve £'000	Retained earnings £'000	Total equity £'000
At 1 January 2016	1	1	-	2
Total comprehensive income for the year	-	-	1	1
At 31 December 2016	1	1	1	3

	Share capital £'000	Other reserve £'000	Retained earnings £'000	Total equity £'000
At 1 January 2015	1	-	177	178
Total comprehensive income for the year	-	-	-	-
Dividends	-	-	(177)	(177)
Share based payment reserve	-	1	-	1
At 31 December 2015	1	1	-	2

The following describes the nature and purpose of each reserve within equity:

Share capital

Nominal value of share capital subscribed for.

Retained earnings

All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

Other reserve

The other reserve relates to share based payment capital contribution from parent company and comprises the cumulative share option charge under IFRS 2 less the value of any share options that have been exercised or have lapsed.

The notes on pages 10 to 20 form part of these financial statements.


Statement of financial position

As at 31 December 2016

Company number: 03125335

	Notes	2016 £'000	2015 £'000
Assets			
Non-current			
Property, plant and equipment	6	2	3
		2	3
Current			
Cash and cash equivalents		104	105
Trade and other receivables	7	1,393	1,770
		1,497	1,875
Total assets		1,499	1,878
Liabilities			
Current			
Trade and other payables	8	(1,209)	(1,874)
Corporation tax		(1)	(2)
Current borrowings	8	(286)	-
		(1,496)	(1,876)
Net assets		3	2
Equity			
Share capital	9	1	1
Other reserve		1	1
Retained earnings		1	-
Total equity		3	2

The financial statements were approved and authorised for issue by the board and signed on its behalf on 8 March 2017.



S L Dye
Director

The notes on pages 10 to 20 form part of these financial statements

Notes to the financial statements

Year ended 31 December 2016

1 Accounting policies

ATA Global Staffing Solutions Limited ("the Company") was incorporated and is domiciled in the United Kingdom. Its registered office and principal place of business is The Derby Conference Centre, London Road, Derby, DE24 8UX and its registered number 3125335. The principal activity of the Company during the year was that of labour supply.

The Company's accounting reference date is 31 December. These financial statements are for the period 28 December 2015 to 1 January 2017. The comparative figures are for the period 29 December 2014 to 27 December 2015.

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared on a historical cost basis. The presentation currency used is sterling and amounts have been presented in round thousands ("£000s").

The balance sheet shows that net assets are £3,000 (2015: £2,000). The Board of RTC Group plc has confirmed that it will provide continue support via its inter group treasury facility as necessary. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Disclosure exemptions adopted:

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the RTC Group Plc group of companies.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the parent's consolidated financial statements.

Notes to the financial statements

Year ended 31 December 2016

The principal accounting policies are unchanged from the prior year, the most significant of which are listed below:

(a) Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

The overriding principle is that revenue is recognised when the Company has fulfilled its contractual obligations. Contractual obligations may vary from client to client, however, generally:

- revenue arising from the placement of permanent candidates is recognised at the time the candidate commences full-time employment;
- revenue from temporary placements, which represents amounts billed for the services of temporary staff, including the salary cost of these staff, is recognised when the service has been provided; and
- revenue from amounts billed to clients for expenses incurred on their behalf (principally contractor expenses) is recognised when the expense is incurred.

Cost of sales

Cost of sales consists of the salary cost of temporary staff, direct costs associated with temporary staff including equipment and work wear, travel and training costs.

Gross profit

Gross profit represents revenue less cost of sales and consists of the total placement fees of permanent candidates and the margin earned on the placement of temporary candidates.

b) Operating leases

Rentals payable under operating leases are charged to the profit for the period on a straight-line basis over the term of the lease. Operating lease incentives are credited to the profit or loss for the period over the lease term.

(b) Retirement benefits

Contributions to money purchase pension schemes are charged to the profit or loss for the period as they become payable in accordance with the rules of the scheme.

(d) Foreign currencies

Transactions in foreign currencies are recorded in sterling using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling using the rate of exchange ruling at the balance sheet date and any gains or losses on translation are included in the profit or loss for the period.

Notes to the financial statements

Year ended 31 December 2016

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight line basis in order to write off the cost, less residual value of each asset over its estimated useful life as follows: -
Computer equipment 33% straight line

Residual values and remaining useful economic lives are reviewed annually and adjusted if appropriate. Gains and losses on disposal are included in the profit or loss for the period

(f) Share capital and dividends

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Company's ordinary shares are classified as equity.

Dividends on shares classified as equity are accounted for as a deduction from equity.

(g) Trade and other Payables

Trade payables are initially recognised at fair value and subsequently as financial liabilities at amortised cost under the effective interest method. However, where the effect of discounting is not significant, they are carried at invoiced value. They are recognised on the trade date of the related transaction.

(h) Trade and other Receivables

Trade receivables are initially recognised at fair value and subsequently as loans and receivables at amortised cost under the effective interest method. However, where the effect of discounting is not significant, they are carried at invoiced value. They are recognised on the trade date of the related transactions.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, which are reported net; such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

(i) Cash and Cash Equivalents

Cash in the statement of financial position comprises cash at bank, cash and cash equivalents consist of cash deposits with maturities of three months or less from inception.

Notes to the financial statements

Year ended 31 December 2016

(j) Income Taxes

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 have been enacted or substantively enacted by the reporting date. Income tax is charged or credited to profit or loss for the period unless it relates to items that are recognised in other comprehensive income, when the tax is also recognised in other comprehensive income, or to items recognised directly to equity, when the tax is also recognised directly in equity.

(k) Inter Group Treasury Facilities

Interest bearing inter group treasury facilities are initially recognised at fair value and subsequently stated at amortised cost under the effective interest method. Where facilities are due on demand then they are carried at face value.

(l) Financial instruments

The only financial instruments held by the Company are Sterling financial assets and liabilities. They have been included in the financial statements at their undiscounted respective asset or liability values.

(m) Shared based payments

The parent company issues equity settled share based payments to certain employees. Equity settled share based payments are measured at fair value at the date of grant. The fair value determined at the date of the grant of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimates of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions. Fair value is measured by use of a Black-Scholes model.

(n) Critical judgements and estimates

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates and assumptions

Useful lives of property, plant and equipment

Depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out in the Company's accounting policy. The selection of these estimated lives requires the exercise of management judgement. Useful lives are regularly reviewed and should management's assessment of useful lives shorten then depreciation charges in the financial statements would increase and carrying amounts of property, plant and equipment would reduce accordingly. The carrying amount of property, plant and equipment by each class is included in note 6.

Notes to the financial statements

Year ended 31 December 2016

2 Revenue

Revenue is analysed by origin of customer/point of invoicing. All goods and services are supplied in the United Kingdom (2015: 100% United Kingdom).

3 Expenses by nature

Profit before tax for the year is stated after charging:

	2016 £'000	2015 £'000
Depreciation of tangible fixed assets:		
- owned by the Company	2	2
Operating lease rentals		
- land and buildings	57	49
Fees payable to the Company's auditor:		
- for the audit of the Company's annual accounts	3	3
- for taxation services	1	1

4 Directors' and employees' remuneration

	2016 £'000	2015 £'000
Directors emoluments:		
- paid by the Company	-	71
- paid by RTC Group plc	61	152
Company pension contributions to money purchase schemes:		
- paid by the Company	-	6
- paid by RTC Group plc	5	10
The number of directors accruing benefits under money purchase pension schemes were:		
- paid by the Company	-	1
- paid by RTC Group plc	2	2

The highest paid director was paid £42,000 (2015: £71,000) in respect of services provided to the Company. The value of the contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £5,000 (2015: £6,000).

Notes to the financial statements

Year ended 31 December 2016

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

	2016 £'000	2015 £'000
Wages and salaries	329	330
Social security costs	23	34
Other pension costs	-	12
	352	376

The average number of employees, including directors, during the year was:

	Number	Number
Administrative staff	5	6

5 Taxation

	2016 £'000	2015 £'000
Continuing operations		
Current tax		
UK corporation tax charge on profit for the year	1	2
Total current tax	1	2
Tax on profit on ordinary activities	1	2

Factors affecting the tax expense

The tax assessed for the year is more than (2015: more than) would be expected by multiplying profit on ordinary activities by the standard rate of corporation tax in the UK of 20% (2015: 20.25%). The differences are explained below:

	2016 £'000	2015 £'000
Profit before tax	2	2
Profit on ordinary activities multiplied by standard rate of corporation tax of 20% (2015: 20.25%)	-	-
Effects of:		
Non-deductible expenses	1	2
Tax charge for the year	1	2

Notes to the financial statements

Year ended 31 December 2016

6 Property, plant and equipment

	Computer equipment £'000	Total £'000
Cost		
At 1 January 2016	5	5
At 31 December 2016	5	5
Depreciation		
At 1 January 2016	2	2
Charge for the year	1	1
At 31 December 2016	3	3
Net book amount		
At 31 December 2016	2	2
At 31 December 2015	3	3

7 Trade and other receivables

	2016 £'000	2015 £'000
Amounts falling due within one year:		
Gross trade receivables	1,365	1,248
Allowance for credit losses	-	-
Net trade receivables	1,365	1,248
Invoice discounting arrangements	-	454
Other receivables	7	8
Prepayments	18	60
Accrued income	3	-
	1,393	1,770

Notes to the financial statements

Year ended 31 December 2016

8 Trade and other payables

Liabilities	2016 £'000	2015 £'000
Trade creditors	81	85
Amounts owed to group undertakings	404	706
Other taxes and social security costs	53	399
Other payables	671	684
	1,209	1,874

Borrowings	2016 £'000	2015 £'000
Invoice discounting arrangements	(286)	-
Allowances as at 31 December 2016	(286)	-

The invoice financing facility is secured over the book debts of the Company.

The invoice financing facility was a credit at 31 December 2015 due to positive currency balances. The Company took the view that it would 'sell' the currency at the point at which either it requires the cash or the exchange rate is sufficiently favourable to make it worthwhile.

9 Share capital

	Allotted, issued and fully paid	
	No.	£
At 1 January 2016 and 31 December 2016		
Ordinary shares of £1 each	1,000	1,000

10 Dividends

	2016 £'000	2015 £'000
Dividends paid on equity (£nil per share, 2015: £177 per share)	-	177

Notes to the financial statements

Year ended 31 December 2016

11 Operating lease commitments

As a lessee the Company had commitments under non-cancellable operating leases on land and buildings with future minimum lease payments as follows:-

	2016 £'000	2015 £'000
	Land and buildings	Land and buildings
Within one year	9	32
Between two and five years	-	-
Over five years	-	-

12 Transactions with related parties

Not wholly owned

During the year the Company entered into the following transactions with fellow Group undertakings which are not wholly owned members of the Group:

	2016 £'000	2015 £'000
Purchases of goods from ATA India	57	56
Amounts owed by ATA India	-	8
Amounts owed to ATA India	5	3

13 Pension costs

The Company operates a defined contribution pension scheme, the assets of which are held separately from those of the Company in an independently administered fund.

Contributions made by the Company to the scheme during the year amounted to £nil (2015: £10,672). Included in other creditors is £Nil (2015: £Nil) relating to outstanding contributions payable to the pension scheme.

14 Financial instruments

The Company is exposed to various risks in relation to financial instruments. The Company's risk management is coordinated at its headquarters, in close co-operation with the Board of Directors. Treasury activities take place under procedures and policies approved by and monitored by the Board. They are designed to minimise the financial risks faced by the Company. The Company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

Notes to the financial statements

Year ended 31 December 2016

Interest rate risk

The Company has financed its operations through a mixture of retained profits and bank borrowings and has sourced its main borrowings through a variable rate overdraft facility and an invoice discounting facility. Competitive interest rates are negotiated.

Liquidity risk

The Company seeks to mitigate liquidity risk by effective cash management. The Company's policy throughout the year has been to ensure the continuity of funding through access to a Group overdraft facility of £50,000 and a Group invoicing discount facility up to £9.0m as required.

Credit risk

The Company extends credit to recognised creditworthy third parties. Trade receivable balances are monitored to minimise the Company's exposure to bad debts. Individual credit limits are set based on internal or external ratings in accordance with limits set by the Board. Independent credit ratings are used if available to set suitable credit limits. If there is no independent rating, the Board assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The utilisation of credit limits is regularly monitored. At the year-end none of the trade receivable balances that were not past due or specifically provided against exceed set credit limits and management does not expect any losses from non-performance by these counterparties.

Borrowing facilities

The Company has access to a Group invoice discounting facility of £9.0m (2015: £7.0m) and an inter group treasury facility of £50,000 (2015: £50,000).

Financial assets and liabilities

The Company has the following financial assets:

- Trade receivables and invoice discounting arrangements (see note 7)
- Other debtors of £7,000 (2015: £8,000)

Each of the financial assets would be classified as loans and receivables under the relevant IAS 39 category. The Company's financial liabilities consist of trade and other payables and amounts due to Group undertakings would be classified as financial liabilities at amortised cost under the relevant IAS 39 category. All the Company's financial liabilities mature in less than one year.

There is no difference between the fair value and carrying value of financial instruments. There have been no changes in the financial risks from the previous year.

15 Contingent liabilities

The Company has entered into a cross guarantee and debenture (fixed and floating charge over all assets) with the Group's bankers in respect of net £50,000 (2015: £50,000) inter group treasury facility extended to certain of the subsidiaries of the Company.

Notes to the financial statements

Year ended 31 December 2016

16 Parent undertakings and controlling parties

The Company is controlled by RTC Group Plc. The parent undertaking of the largest and smallest group for which consolidated financial statements are prepared is RTC Group Plc. Consolidated financial statements are available from RTC Group Plc, The Derby Conference Centre, London Road, Derby, DE24 8UX.

In the opinion of the directors this is the Company's ultimate parent Company.