ganymede
safety first, safety always

Ganymede Solutions Limited

Report and financial statements
Year ended 31 December 2016

Company number: 03579773

Company information

Directors	A M Pendlebury P S Crompton S L Dye
Secretary	S L Dye
Company number	03579773
Registered office	The Derby Conference Centre London Road Derby DE24 8UX
Auditor	BDO LLP Regent House Clinton Avenue Nottingham NG5 1AZ

ganymede
safety first, safety always

Contents

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 £667,000 (2015: £700,000). The directors declared a dividend of £195,000 (2015: £Nil) to the Company's parent.

Review of 2016

Throughout 2016 the Company's Rail Division has successfully delivered against its core contract with Network Rail, supplying contingent labour services including safety critical, track and E&P (electrification and plant) resources in the West, South West and North East England, the Midlands and Wales.

The Company's Energy division has also performed strongly during the year with permanent placements in particular exceeding expectations

Key performance indicators

Overall Company success is measured by performance indicators, including gross profit (2016: £5.1m, 2015: £4.1m) and conversion of gross profit to profit before tax before exceptional items (2016: 17%, 2015: 16%). At an operational level the Company has a monthly dashboard that it uses to monitor and measure performance on a range of indicators in the following areas: safety and compliance; fleet; service performance and delivery; client accounts and relationships; debt management and recruitment performance.

Risks and uncertainties

The economic cycle and economic conditions

The outcome of the EU referendum continues to make the economic outlook uncertain, and it is still too early to say what its impact will be on the Company. The Company's cost base is carefully managed to align with business activity. The Company is continually focused on cash generation and keeping net debt at prudent levels. This risk is partly mitigated by the Company's core Network Rail contract, which is not cyclical.

Loss of key customers

Loss of a key customer or large contract is a significant risk. To minimise this risk the strategy across all our businesses is to actively retain existing customers and pursue new customers and contracts 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 existing 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 incentives for staff. Succession plans are regularly reviewed.

Strategic Report

Year ended 31 December 2016

Legislative risks

Constantly changing employment and tax legislation around intermediary staff. To mitigate these risks, in conjunction with our professional advisers, we monitor all changes in legislation and keep our documentation and procedures under review.

Reliance on technology

Failure of our IT systems would cause significant disruption to the business. The Company's technology systems are housed in various data centres and the Company has the capacity to cope with a data centre's loss through the operation of disaster recover sites based in physical separate locations to ongoing operations. The Company is committed to having an IT infrastructure that is robust, future proof, fit for purpose and cost effective and as such ensures it receives the appropriate strategic and technical advice to do this.

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.

Financial instruments

The Company has used the inter group treasury facility and invoice discounting facility, which is secured by a cross guarantee and debenture over all group companies (see note 10).

Outlook and future developments

Going forward the Company will continue to focus on delivery of the core Network Rail contract but also on securing additional work with Network Rail directly and with Network Rail's main contractors in areas, such as infrastructure projects, whilst at the same time expanding its client base to dilute the percentage of its business with Network Rail. In particular, the Company will look to expand its Energy division into areas such as smart-metering where demand is anticipated to grow.

We remain committed to our goal of building a focused Company with both sustainability and profitability and the directors intend to continue to use free cash flow to enhance our balance sheet, to provide working capital for expansion and to invest in the future wherever necessary.

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 financial statements for the year ended 31 December 2016.

Principal activities

The principal activity of the Company during the year continued to be that of labour supply in safety critical environments.

Directors

The directors who served during the year were as follows:

A M Pendlebury
P S Crompton
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.

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 Board have demonstrated their commitment to EDI through top down engagement and directors and senior managers are championing EDI across the Company.

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 along with operatives and workers. 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.

Post balance sheet events

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

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' Report

Year ended 31 December 2016

Directors' Responsibilities Statement

The directors are responsible for preparing the annual 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.

Approval

This directors' report was approved by order of the Board on 8 March 2017.

SDye

S L Dye
Secretary

Independent Auditor's report to the members of Ganymede Solutions Limited

We have audited the financial statements of Ganymede 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 Ganymede 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.

BDO LLP

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	**31,345**	**26,682**
Cost of sales		**(26,190)**	**(22,621)**
Gross profit		**5,155**	**4,061**
Administrative expenses		**(4,307)**	**(3,427)**
Exceptional item	4	-	**200**
Profit before tax		**848**	**834**
Tax expense	6	**(181)**	**(134)**
Total comprehensive income for the year		**667**	**700**

The notes on pages 10 to 22 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	**-**	**10**	**195**	**205**
Dividends paid			**(195)**	**(195)**
Total comprehensive income for the year	**-**	**-**	**667**	**667**
At 31 December 2016	**-**	**10**	**667**	**677**

	Share capital £'000	Other reserve £'000	Retained earnings £'000	Total equity £'000
At 1 January 2015	-	-	(505)	(505)
Share based payment charge in year	-	10	-	10
Total comprehensive income for the year	-	-	700	700
At 31 December 2015	-	10	195	205

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

Share capital
Nominal value of share capital subscribed for.

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.

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

The notes on pages 10 to 22 form part of these financial statements.

ganymede
safety first, safety always

Statement of financial position

As at 31 December 2016
Company number: 03579773

	Note	2016	2015
		£'000	£'000
Assets			
Non-current			
Property, plant and equipment	7	**65**	**39**
		65	**39**
Current			
Cash and cash equivalents		**342**	**1**
Trade and other receivables	8	**4,844**	**5,260**
		5,186	**5,261**
Total assets		**5,251**	**5,300**
Liabilities			
Current			
Trade and other payables	10	**(3,090)**	**(2,797)**
Corporation tax		**(100)**	**(130)**
Current borrowings	10	**(1,376)**	**(2,168)**
		(4,566)	**(5,095)**
Non-current liabilities			
Deferred tax liabilities		**(8)**	**-**
Net assets		**677**	**205**
Equity			
Share capital	11	**-**	**-**
Other reserve		**10**	**10**
Retained earnings		**667**	**195**
Total equity		**677**	**205**

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 22 form part of these financial statements

ganymede
safety first, safety always

Notes to the financial statements

Year ended 31 December 2016

1 Accounting policies

Ganymede 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 3579773. The principal activity of the Company is the provision of contingent labour.

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").

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.

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

ganymede
safety first, safety always

Notes to the financial statements

Year ended 31 December 2016

(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; and
- 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.

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, the margin earned on the placement of temporary candidates.

(b) *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: -

Fixtures and fittings	3-5 years 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.

Capital work in progress predominantly relates to new systems under development and not yet available for use and as such no depreciation has been charged.

(c) 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.

(d) 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.

Notes to the financial statements

Year ended 31 December 2016

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.

(e) 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.

(f) 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.

(g) 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.

(h) 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.

(i) 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.

(j) 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.

(k) Deferred taxation
Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

ganymede
safety first, safety always

Notes to the financial statements

Year ended 31 December 2016

1) The initial recognition of goodwill; and
2) The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and investments in subsidiaries and where the Company is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.
The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/ (assets) are settled/ (recovered).

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

(l) Retirement benefit

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.

(m) 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 7.

Notes to the financial statements

Year ended 31 December 2016

2 Revenue

Revenue is attributable to one class of business. All revenue arose within the United Kingdom.

3 Expenses by nature

Profit before tax is stated after charging:

	2016	2015
	£'000	£'000
Depreciation of tangible fixed assets:		
- owned by the Company	**28**	8
Operating lease rentals		
- Land and buildings	**118**	92
Fees payable to the Company's auditor:		
- for the audit of the Company's annual accounts	**8**	8
- for taxation services	**1**	1

4 Exceptional item

The exceptional credit of £200,000 in 2015 relates to the provision against inter group bank obligations in line with the cross guarantee as detailed in note 15 to the accounts.

5 Directors' and employees' remuneration

	2016	2015
	£'000	£'000
Directors emoluments:		
- paid by the Company	**201**	174
- paid by RTC Group plc	**270**	171
Company pension contributions to money purchase schemes:		
- paid by the Company	**9**	9
- paid by RTC Group plc	**14**	12
The number of directors accruing benefits under money purchase pension schemes were:		
- paid by the Company	**1**	1
- paid by RTC Group plc	**2**	2

The highest paid director was paid £201,000 (2015: £174,000) in respect of services provided to the Company.

ganymede
safety first, safety always

Notes to the financial statements
Year ended 31 December 2016

The value of the contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £9,000 (2015: £9,000).

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

	2016	2015
	£'000	£'000
Wages and salaries	1,732	1,447
Social security costs	178	156
Other pension costs	36	27
	1,946	1,630

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

	Number	Number
Administrative staff	46	37

6 Taxation

	2016	2015
Continuing operations	£'000	£'000
Current tax		
UK corporation tax charge on profit for the year	174	130
Adjustment in respect of previous period	2	(11)
Total current tax	176	119
Deferred tax (see note 9)		
Origination or reversal of temporary differences	5	15
Tax on profit on ordinary activities	181	134

Notes to the financial statements

Year ended 31 December 2016

Factors affecting the tax expense

The tax assessed for the year is greater than (2015: less 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	2015
	£'000	£'000
Profit before tax	**848**	834
Profit on ordinary activities multiplied by standard rate of corporation tax of 20% (2015: 20.25%)	**170**	169
Effects of:		
Effect of change in deferred tax movements	**2**	10
Non tax-deductible expenses	**7**	(34)
Adjustment in respect of prior period	**2**	(11)
Tax charge for the year (see note above)	**181**	134

The provision for deferred tax is calculated based on the tax rates enacted or substantially enacted at the balance sheet date. The Finance (No.2) Act 2015 enacted the corporation tax rate to reduce from the current rate of 20% to 19% from 1 April 2017 with a further reduction to 18% from April 2020. On 16 March 2016, the Chancellor of the Exchequer announced that legislation would be introduced in Finance Act 2016 to reduce the main rate of corporation tax to 17% from 1 April 2020, superseding the 18% rate effective from that date introduced in Finance (No.2) Act 2015. These changes to the future tax rate were substantively enacted at the balance sheet date. The provision for deferred tax in the financial statements has been based upon the rate relevant when the timing differences are expected to reverse.

Notes to the financial statements
Year ended 31 December 2016

7 Tangible fixed assets

	Fixtures & fittings £'000	Capital work-in-progress £'000	Total £'000
Cost			
At 1 January 2016	68	-	68
Additions	31	23	54
At 31 December 2016	99	23	122
Depreciation			
At 1 January 2016	29	-	29
Charge for the year	28	-	28
At 31 December 2016	57	-	57
Net book amount			
At 31 December 2016	42	23	65
At 31 December 2015	39	-	39

8 Trade and other receivables

	2016 £'000	2015 £'000
Amounts falling due within one year:		
Gross trade receivables	**3,937**	4,790
Allowance for credit losses	-	-
Net trade receivables	**3,937**	4,790
Other receivables	**16**	25
Prepayments	**259**	304
Accrued income	**632**	141
	4,844	5,260

9 Deferred tax asset

	2016 £'000	2015 £'000
At 1 January 2016	-	13
Charged to profit for the year	-	(13)
At 31 December 2016	-	-

ganymede
safety first, safety always

Notes to the financial statements

Year ended 31 December 2016

10 Trade and other payables

Liabilities	**2016**	2015
	£'000	£'000
Trade creditors	**600**	704
Amounts owed to group undertakings	**1,177**	1,053
Other taxes and social security costs	**343**	510
Other payables	**22**	14
Accruals and deferred income	**948**	516
	3,090	2,797

Borrowings	**2016**	2015
	£'000	£'000
Inter group treasury facility	-	166
Invoice discounting arrangements	**1,376**	2,002
Allowances as at 31 December 2016	**1,376**	2,168

During the year, the Company has used its inter group treasury facility which is secured by a cross guarantee and debenture (fixed and floating charge over all assets) over all group companies. The invoice financing facility is secured over the book debts of the Company.

11 Share capital

	Allotted, called up and fully paid	
	No.	**£**
At 1 January 2016 and 31 December 2016		
Ordinary shares of 1p each	**200**	**2**

12 Dividends

	2016	2015
	£'000	£'000
Dividends paid on equity (£975 per share, 2015: £nil per share)	**195**	-

Notes to the financial statements
Year ended 31 December 2016

13 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:-

	Land and buildings	
	2016	2015
	£'000	£'000
Within one year	59	26
Between two and five years	35	6
Over 5 years	-	-

14 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 £35,845 (2015: £26,527). Included in other creditors is £6,062 (2015: £4,391) relating to outstanding contributions payable to the pension scheme.

15 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.

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 by access to the Group overdraft facility of £50,000 and an invoicing discount facility up to £9.0m as required.

Notes to the financial statements

Year ended 31 December 2016

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 an invoice discounting facility of £9.0m (2015: £7.0m) and an inter group treasury facility of £50,000 (2015: £50,000).

Notes to the financial statements

Year ended 31 December 2016

Financial assets and liabilities

The Company has the following financial assets:

- Trade receivables (see note 8)
- Other debtors of £16,000 (2015: £25,000)

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 other than assets held under finance leases. Assets held under finance leases are not material.

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 subsidiaries of the Company.

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.