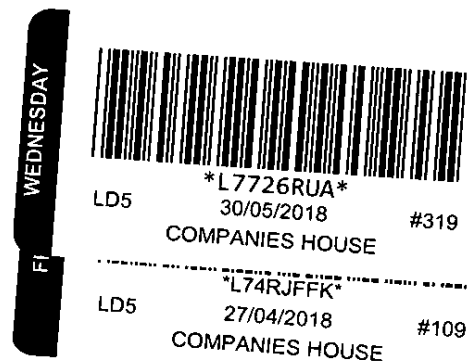


Registered Number:  
03950639 (England and Wales)

# Networkers International Ltd

Report of the Directors and Financial Statements  
For the period ended 31 July 2017



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**DIRECTORS:**

**A.S.Dyer (resigned 6th June 2017)**  
**B.Wilkinson (resigned 7th February 2018)**  
**S.Farzad (appointed 4th August 2017)**

**SECRETARY:**

**A.Jackman**

**REGISTERED OFFICE:**

**Hanover Place**  
**8 Ravensbourne Road**  
**Bromley**  
**Kent**  
**BR1 1HP**

**REGISTERED NUMBER:**

**03950639 (England and Wales)**

**BANKERS:**

**HSBC**  
**Park Gate Branch**  
**35 Middle Road**  
**Swanwick**  
**Southampton**  
**SO31 7GH**

## **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The Company's principal activity is that of a holding company. There have not been any significant changes in the Company's principal activities in the year under review. The principal activity of the Company's subsidiaries is that of recruitment consultancy in IT, Telecommunications and Energy and Engineering, with niche activities within each sector. 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 profit and loss account on page 6, the Company's operating profit for the period was £nil (2016 - Loss: £151,000).

The company does not have any key performance indicators as it is a holding company.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

As a holding company the principal risks and uncertainties are inherently linked to those of the wider group, a summary of these risks and uncertainties can be found in the Group accounts.

The directors are satisfied with the activities during the year.

By order of the directors



S Farzad  
Director  
26th April 2018

The directors have pleasure in presenting their report and the financial statements of the Company for the period ended 31 July 2017.

#### **RESULTS AND DIVIDENDS**

The trading results for the period, and the Company's financial position at the end of the period, are shown in the financial statements on pages 6 to 16.

No dividends were paid in the current or prior period.

#### **DIRECTORS**

The directors who served the Company during the period were.

**A.S.Dyer (resigned 6th June 2017)**

**B.Wilkinson (resigned 7th February 2018)**

**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 IFRSs as adopted by the EU 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 estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**GOING CONCERN**

At the time of approving the financial statements, the directors consider that the Company has sufficient resources including continued financial support from other group companies, to continue in operational existence for the foreseeable future, and accordingly, that it is appropriate to adopt the going concern basis in preparation of the financial statements.

**CHARITABLE AND POLITICAL DONATIONS**

During the period the Company made no charity or political donations (2016 - £nil)

**POLICY ON THE PAYMENT OF CREDITORS**

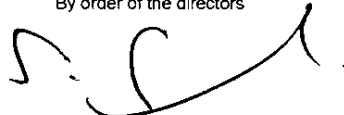
It is the Company's policy to agree payment terms with suppliers when orders are placed. Payments are made in accordance with these terms provided the suppliers comply with relevant terms and conditions.

**AUDIT EXEMPTION**

Under Section 479C of the Companies Act 2006 the Directors have taken the exemption from audit for the year ended 31 July 2017 for these statutory accounts. This is because the ultimate parent company, Gattaca Plc (company number 04426322), has guaranteed all outstanding liabilities to which this subsidiary company is subject at 31 July 2017 until they are satisfied in full

Registered office:  
Hanover Place  
8 Ravensbourne Road  
Bromley  
Kent  
BR1 1HP

By order of the directors



S Farzad  
Director

Registered number: 03950639

26 April 2018

**INCOME STATEMENT**  
for the period ended 31 July 2017

Networkers International Ltd  
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|   | Note | 2017<br>£'000 | 2016<br>£'000 |
|---|------|---------------|---------------|
| <b>REVENUE</b>  | 2    | -             | -             |
| Cost of sales   |      | -             | -             |
| <b>GROSS PROFIT</b>   |      | -             | -             |
| Administrative expenses                                     |      | -             | (151)         |
| <b>PROFIT/LOSS FROM OPERATIONS</b>                          | 3    | -             | (151)         |
| Profit/(loss) from operations before non-recurring costs    |      | -             | (151)         |
| Non recurring costs included within administrative expenses | 3    | -             | -             |
| Income from sale of fixed asset investments                 | 9    | -             | 420           |
| <b>PROFIT BEFORE TAX</b>                                    |      | -             | 269           |
| Income tax credit/(expense)                                 | 8    | -             | 30            |
| <b>PROFIT FOR THE PERIOD</b>                                |      | -             | 299           |

**STATEMENT OF COMPREHENSIVE INCOME**  
for the period ended 31 July 2017

|  | 2017<br>£'000 | 2016<br>£'000 |
|--|---------------|---------------|
| <b>PROFIT FOR THE PERIOD</b>                     | -             | 299           |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b> | -             | 299           |

The notes on pages 10 to 16 are an integral part of the financial statements.



**STATEMENT OF CHANGES IN EQUITY**  
for the period ended 31 July 2017

Networkers International Ltd

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|  | Share<br>Capital | Share<br>Premium | Capital<br>Contribution<br>Reserve | Capital<br>Redemption<br>Reserve | Share based<br>payments<br>account | Retained<br>Earnings | Total  |
|--|------------------|------------------|------------------------------------|----------------------------------|------------------------------------|----------------------|--------|
|  | £'000            | £'000            | £'000                              | £'000                            | £'000                              | £'000                | £'000  |
| <b>At 1 August 2015</b>                              | -                | 1,397            | 336                                | 978                              | 914                                | 13,630               | 17,255 |
| Transfer of share capital out of Treasury            | -                | -                | -                                  | -                                | -                                  | -                    | -      |
| Reduction of share capital                           | -                | -                | -                                  | -                                | -                                  | -                    | -      |
| <b>Transactions with owners</b>                      | -                | -                | -                                  | -                                | -                                  | -                    | -      |
| Profit and total comprehensive income for the period | -                | -                | -                                  | -                                | -                                  | 299                  | 299    |
| <b>At 31 July 2016</b>                               | -                | 1,397            | 336                                | 978                              | 914                                | 13,929               | 17,554 |
| <b>At 1 August 2016</b>                              | -                | 1,397            | 336                                | 978                              | 914                                | 13,929               | 17,554 |
| Transfer of share capital out of Treasury            | -                | -                | -                                  | -                                | -                                  | -                    | -      |
| Reduction of share capital                           | -                | -                | -                                  | -                                | -                                  | -                    | -      |
| <b>Transactions with owners</b>                      | -                | -                | -                                  | -                                | -                                  | -                    | -      |
| Profit and total comprehensive income for the period | -                | -                | -                                  | -                                | -                                  | -                    | -      |
| <b>At 31 July 2017</b>                               | -                | 1,397            | 336                                | 978                              | 914                                | 13,929               | 17,554 |

The notes on pages 10 to 16 are an integral part of the financial statements.

|                                 | Note | 2017<br>£'000  | 2016<br>£'000  |
|---------------------------------|------|----------------|----------------|
| <b>NON-CURRENT ASSETS</b>       |      |                |                |
| Fixed asset investments         | 9    | 21,100         | 21,100         |
| <b>Total Non-current Assets</b> |      | <b>21,100</b>  | <b>21,100</b>  |
| <b>CURRENT ASSETS</b>           |      |                |                |
| Trade and other receivables     | 10   | 1,155          | 1,143          |
| Cash and cash equivalents       |      | 18             | 18             |
| Current tax asset               |      | 159            | 159            |
| <b>Total Current Assets</b>     |      | <b>1,332</b>   | <b>1,320</b>   |
| <b>TOTAL ASSETS</b>             |      | <b>22,432</b>  | <b>22,420</b>  |
| <b>CURRENT LIABILITIES</b>      |      |                |                |
| Trade and other payables        | 11   | (4,878)        | (4,866)        |
| <b>Current Liabilities</b>      |      | <b>(4,878)</b> | <b>(4,866)</b> |
| <b>TOTAL LIABILITIES</b>        |      | <b>(4,878)</b> | <b>(4,866)</b> |
| <b>NET ASSETS</b>               |      | <b>17,554</b>  | <b>17,554</b>  |
| <b>EQUITY</b>                   |      |                |                |
| Called-up equity share capital  | 13   | -              | -              |
| Share premium                   |      | 1,397          | 1,397          |
| Capital contribution reserve    |      | 338            | 336            |
| Capital redemption reserve      |      | 978            | 978            |
| Share based payment reserve     |      | 914            | 914            |
| Retained earnings               |      | 13,929         | 13,929         |
| <b>TOTAL EQUITY</b>             |      | <b>17,554</b>  | <b>17,554</b>  |

The notes on pages 10 to 16 are an integral part of the financial statements.

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These financial statements were approved by the board of directors on 26th April 2018, and signed on their behalf by:



S Farzad  
Director

Company registration number: 03950639

|   | 2017<br>£'000 | 2016<br>£'000 |
|---|---------------|---------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>             |               |               |
| Profit after taxation                                   | -             | 299           |
| Adjustments for:  |               |               |
| Dividends received                                      | -             | -             |
| Fixed Asset investment income                           | -             | (420)         |
| Taxation credit/(expense) recognised in profit and loss | -             | (30)          |
| Decrease in trade and other receivables                 | (12)          | (75)          |
| Increase/(Decrease) in trade and other payables         | 12            | (178)         |
| Cash generated from operations                          | -             | (404)         |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>               | -             | (404)         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>             |               |               |
| Income from fixed asset investments                     | -             | 420           |
| Purchase of fixed asset investments                     | -             | -             |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>            | -             | 420           |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>             |               |               |
| Proceeds from issue of share capital                    | -             | -             |
| Purchase of shares held in treasury                     | -             | -             |
| Dividends paid  | -             | -             |
| <b>NET CASH USED IN FINANCING</b>                       | -             | -             |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>        | -             | 16            |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR          | 18            | 2             |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>         | 18            | 18            |
| <b>CASH AND CASH EQUIVALENTS</b>                        | 2017<br>£'000 | 2015<br>£'000 |
| Cash  | 18            | 18            |
|   | 18            | 18            |

The notes on pages 10 to 16 are an integral part of the financial statements.

**1 THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES****i The business and address of the Company**

The Company's principal activity is that of a holding company. There have not been any significant changes in the Company's principal activities in the year under review. The principal activity of the Company's subsidiaries is that of recruitment consultancy in IT, Telecommunications and Energy and Engineering, with niche activities within each sector. 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. The Company's address is: Networkers International Ltd, Hanover Place, 8 Ravensbourne Road, Bromley, Kent, BR1 1HP.

**ii Basis of preparation of the financial statements**

The financial statements have been prepared in accordance with applicable International Financial Reporting Standards as adopted by the European Union (EU) and which are effective at 31 July 2017.

These financial statements have been prepared under the historical cost convention. The accounting policies have been applied consistently for the purposes of preparation of these financial statements. A summary of the Company's principal accounting policies are set out below.

**iii Going concern**

The directors have reviewed forecasts and budgets for the coming year, which have been drawn up with appropriate regard for the current macroeconomic environment and the particular circumstances in which the Company operates. These were prepared with reference to historic and current industry knowledge, taking future strategy of the Company into account. As a result, at the time of approving the financial statements, the directors consider that the Company has sufficient resources to continue in operational existence for the foreseeable future, and accordingly, that it is appropriate to adopt the going concern basis in the preparation of the financial statements. As with all business forecasts, the Directors' statement cannot guarantee that the going concern basis will remain appropriate given the inherent uncertainty about future events.

**iv New standards and interpretations**

The following amendment to the existing standard is applicable for the year ending 31 July 2017:

| <b>Standard</b> |  | <b>Effective date (Annual periods beginning on or after)</b> |
|-----------------|--|--|
| IFRS 11         | Joint Arrangements                             | 1 January 2016   |
| IFRS 14         | Regulatory Deferral Accounts                   | 1 January 2016   |
| IAS 27          | Equity Method in Separate Financial Statements | 1 January 2016   |

The Adoption of the above standard has had no impact on the Financial Statements.

**New standards in issue, not yet effective**

The following relevant standards and interpretations, which are new and yet to become mandatory, have not been applied in the company Financial Statements.

| <b>Standard</b>   |                                  | <b>Effective date (Annual periods beginning on or after)</b> |
|-------------------|----------------------------------|--|
| IAS 12            | Deferred Tax                     | 1 January 2017   |
| IFRS 9            | Fair Values                      | 1 January 2018   |
| IFRS 15           | Revenue                          | 1 January 2018   |
| IFRS 2            | Share-based Payment Transactions | 1 January 2018   |
| IFRS 16           | Leases                           | 1 January 2019   |
| IFRS improvements | Various                          | Various  |

The Board needs to assess the impact of the above new standards, however, based on the company's current business model and accounting policies, the Directors do not expect material impacts on the figures in the company's Financial Statements when the interpretations become effective.

The Company does not intend to apply any of these pronouncements early.

**v Revenue**

Revenue represents the management charges receivable from group companies, excluding VAT.

**1 THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES (...continued)****vi Non-recurring items**

Non-recurring items are items that are unusual because of their size, nature or incidence and are presented within the income statement but highlighted through separate disclosure. The Company's Directors consider that these items should be separately identified within the income statement to enable a true and fair understanding of the Company's results.

Items which are included within this category include:

- costs of acquisitions;
- integration costs of acquisitions;
- significant restructuring costs;
- other particularly significant or unusual items.

**vii Fixed Asset Investments**

The value of investments in subsidiary undertakings is stated at historical cost less any provisions for impairment.

**viii Basis of consolidation**

In line with section 400 of the Companies Act 2006, the Company may take exemption from preparing consolidated financial statements as its ultimate parent undertaking, Matchtech Group plc, has produced a set of consolidated accounts for the year end 31 July 2017.

**ix Disposal of assets**

The gain or loss arising on the disposal of an asset is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in the income statement.

**x Taxation**

Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the year end date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity (such as share-based payments) in which case the related deferred tax is also charged or credited directly to equity.

**1 THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES (...continued)****xi Financial assets**

All financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised at fair value plus transaction costs.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables are classified as loans and receivables. Loans and receivables are measured subsequent to initial recognition at amortised cost using effective interest method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognised in the income statement.

Provision against trade receivables is made when there is objective evidence that the Company will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

A financial asset is derecognised only where the contractual rights to cash flows from the asset expire or the financial asset is transferred and that transfer qualifies for derecognition. A financial asset is transferred if the contractual rights to receive the cash flows of the asset have been transferred or the Company retains the contractual rights to receive the cash flows of the asset but assumes a contractual obligation to pay the cash flows to one or more recipients. A financial asset that is transferred qualifies for derecognition if the Company transfers substantially all the risks and rewards of ownership of the asset, or if the Company neither retains nor transfers substantially all the risks and rewards of ownership but does transfer control of that asset.

**xii Financial liabilities**

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instrument and comprise trade and other payables and bank loans. Financial liabilities are recorded initially at fair value, net of direct issue costs, and are subsequently measured at amortised cost using the effective interest rate method.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

**xiii Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and on demand deposits.

**xiv Dividends**

Dividend distributions payable to equity shareholders are included in "other short term financial liabilities" when the dividends are approved in a general meeting prior to the year end date.

**xv Equity**

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess in the amount subscribed over the nominal value of equity shares.
- "Capital contribution reserve" represents the benefit of share-based payments.
- "Capital redemption reserve" represents treasury shares cancelled in prior periods.
- "Share based payment reserve" represents equity-settled share based employee remuneration until such share options are exercised.
- "Retained earnings" represents retained profits.

**xvi Significant accounting estimates and judgements**

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

**xvii Key sources of estimation uncertainty***Share-based payments*

The key assumptions used in estimating the fair values of options granted to employees under IFRS 2 are detailed under Note 18.

**NOTES**

Networkers International Ltd

forming part of the financial statements

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**2 SEGMENTAL INFORMATION**

Revenue represents the management charges receivable from group companies, excluding VAT. Management charges for the current and prior period all relate to charges made to UK registered subsidiaries.

The Company pre-tax profit and net assets all relate to returns generated from assets originating from the UK.

**3 PROFIT FROM OPERATIONS**

Profit from operations is stated after charging/(crediting):

| 2017  | 2016  |
|-------|-------|
| £'000 | £'000 |

Non-recurring costs included within administrative expenses: Acquisition costs

|   |   |
|---|---|
| - | - |
|---|---|

Auditor remuneration for non-audit services, including taxation, are paid at a group level and are therefore required to be disclosed in the financial statements of Gattaca Plc (formerly Matchtech Group plc).

**4 PARTICULARS OF EMPLOYEES**

The average number of staff employed by the Company, including directors, during the financial year amounted to:

| 2017 | 2016 |
|------|------|
| No.  | No.  |

Administration

|   |   |
|---|---|
| 2 | 3 |
|---|---|

The aggregate payroll costs of the above were:

| 2017  | 2016  |
|-------|-------|
| £'000 | £'000 |

Wages and salaries

Fees paid to third parties

Social security costs

|   |   |
|---|---|
| - | - |
| - | - |
| - | - |
| - | - |

**5 DIRECTORS' EMOLUMENTS**

The directors' aggregate emoluments in respect of qualifying services were:

| 2017  | 2016  |
|-------|-------|
| £'000 | £'000 |

Emoluments receivable

|   |   |
|---|---|
| - | - |
|---|---|

Emoluments of highest paid director:

| 2017  | 2016  |
|-------|-------|
| £'000 | £'000 |

Total emoluments (excluding pension contributions)

|   |   |
|---|---|
| - | - |
|---|---|

Directors remuneration for the current period was paid by other companies within the Group and recharged at the period end as a management charge where necessary.

Disclosure of the remuneration of Key Management Personnel, as required by IAS24, is covered by this note since only the statutory directors are considered to be key management personnel.

Transaction with directors and related parties are disclosed in note 19.

**6 FINANCE COSTS**

| 2017  | 2016  |
|-------|-------|
| £'000 | £'000 |

Bank interest payable

|   |   |
|---|---|
| - | - |
|---|---|

**7 DIVIDENDS**

Dividends on shares classed as equity:

| 2017  | 2016  |
|-------|-------|
| £'000 | £'000 |

Final dividend of nil pence (2016 - nil pence) per ordinary share proposed and paid during the year

Interim dividend of nil pence (2016 - nil pence) per ordinary share proposed and paid during the year

|   |   |
|---|---|
| - | - |
| - | - |
| - | - |

**8 INCOME TAX EXPENSE**

| 2017  | 2016  |
|-------|-------|
| £'000 | £'000 |

Total current Tax: UK corporation tax

UK corporation tax has been charged at 19.7% (2016: 20%)

|   |      |
|---|------|
| - | (30) |
|---|------|

## NOTES

forming part of the financial statements

Networkers International Ltd

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### 8 INCOME TAX EXPENSE continued

The charge for the year can be reconciled to the profit as per the income statement as follows:

|   | 2017<br>£'000 | 2016<br>£'000 |
|---|---------------|---------------|
| Profit before tax   | -             | 269           |
| Total taxable profit  | -             | 269           |
| Profit before tax multiplied by the standard rate of corporation tax in the UK of 19.7% (2016: 20%) | -             | 54            |
| Income not chargeable for tax purposes  | -             | (84)          |
| Expenses not deductible for tax purposes  | -             | -             |
| Total tax charge/(credit) for period  | -             | (30)          |

#### Future tax rate changes

The UK corporation tax rate of 20% reduced to 19% from 1 April 2017 and will reduce to 17% from 1 April 2020

### 9 FIXED ASSET INVESTMENTS

|                       |   | Group<br>Undertakings<br>£'000 |
|-----------------------|---|--------------------------------|
| <b>COST</b>           | At 1 August 2016                        | 21,100                         |
|                       | Disposals                               | -                              |
|                       | <b>At 31 July 2016 and 31 July 2017</b> | <b>21,100</b>                  |
| <b>PROVISION</b>      | <b>At 31 July 2016 and 31 July 2017</b> | <b>-</b>                       |
| <b>NET BOOK VALUE</b> | <b>At 31 July 2016 and 31 July 2017</b> | <b>21,100</b>                  |

#### Subsidiary undertakings and joint ventures

The undertakings in which the Company held an interest at the year end is as follows:

| Name   | Country of<br>incorporation<br>or registration | Proportion of voting<br>rights and ordinary<br>share capital held |
|--|--|---|
| <i>Subsidiary undertakings</i>                               |  |   |
| Networkers International LLC**                               | United States                                  | 100%  |
| Networkers International Proprietary Limited**               | South Africa                                   | 100%  |
| NWi de Mexico S.de R.L. de C.V**                             | Mexico   | 100%  |
| Networkers International (Malaysia) Sdn Bhd**                | Malaysia                                       | 100%  |
| Networkers International (China) Co. Limited**               | China  | 100%  |
| Networkers Inc. **   | United States                                  | 100%  |
| Networkers International (Canada) Limited**                  | Canada   | 100%  |
| Networkers International (India) Private Limited (Dormant)** | India  | 100%  |
| Networkers International South Africa Pty Ltd**              | South Africa                                   | 100%  |
| Networkers Consultancy (Singapore) PTE Ltd**                 | Singapore                                      | 100%  |
| NWKI Consultancy FZ LLC (formerly NWKI FZ LLC)**             | UAE  | 100%  |
| NWKI Communications LLC**                                    | UAE  | 100%  |
| MSB International Limited (Dormant)**                        | Ireland  | 100%  |
| MSB International GmbH**                                     | Germany  | 100%  |
| Elite Computer Staff Limited (Dormant)**                     | United Kingdom                                 | 100%  |
| MSB Consulting Services Limited (Dormant)**                  | United Kingdom                                 | 100%  |
| Networkers International (UK) Plc*                           | United Kingdom                                 | 100%  |
| CommsResources Ltd**   | United Kingdom                                 | 100%  |
| CommsResources Sdn Bhd**                                     | Malaysia                                       | 100%  |
| CommsResources SAS**   | Colombia                                       | 100%  |
| Comms Software Ltd (Dormant)**                               | United Kingdom                                 | 100%  |
| The Comms Group Ltd*   | United Kingdom                                 | 100%  |
| Networkers Recruitment Services Ltd*                         | United Kingdom                                 | 100%  |
| Networkers Trustees Ltd (Dormant)**                          | United Kingdom                                 | 100%  |
| Cappo Group Ltd*   | United Kingdom                                 | 100%  |
| Cappo International Ltd**                                    | United Kingdom                                 | 100%  |
| Cappo Qatar LLC**  | Qatar  | 49%   |
| Networkers Consultora Em Tecnologia Da Informacao Limitada** | Brazil   | 100%  |
| Kelsey House Ltd*  | United Kingdom                                 | 100%  |
| Gattaca SAS**  | France   | 100%  |
| Gattaca Information Technology Services SL**                 | Spain  | 100%  |
| Gattaca Recruitment ETT SL**                                 | Spain  | 100%  |

All subsidiary undertakings carry out recruitment and related resource services. All the above companies have a year end of 31 July 2016

\* held directly by Networkers International Plc

\*\* held indirectly by Networkers International Plc



**NOTES**

Networkers International Ltd

forming part of the financial statements

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**10 TRADE AND OTHER RECEIVABLES**

|                                   | 2017         | 2016         |
|-----------------------------------|--------------|--------------|
|                                   | £'000        | £'000        |
| Amounts owed from group companies | 878          | 878          |
| Other Debtors                     | 259          | 247          |
| Accrued income                    | 18           | 18           |
|                                   | <u>1,155</u> | <u>1,143</u> |

The amount due from group undertakings is considered to approximate to fair value.

**11 TRADE AND OTHER PAYABLES**

|                                 | 2017         | 2016         |
|---------------------------------|--------------|--------------|
|                                 | £'000        | £'000        |
| Trade creditors                 | -            | -            |
| Amounts owed to group companies | 4,718        | 4,718        |
| Taxation and Social Security    | -            | -            |
| Other creditors                 | 160          | 148          |
| Total                           | <u>4,878</u> | <u>4,866</u> |

**12 FINANCIAL ASSETS AND LIABILITIES CLASSIFICATION**

The carrying amount of the Company's financial assets and liabilities as recognised at the year end date of the reporting periods under review may also be categorised as follows:

Financial assets are included in the statement of financial position within the following headings:

|                             | 2017         | 2016         |
|-----------------------------|--------------|--------------|
|                             | £'000        | £'000        |
| Trade and other receivables |              |              |
| - Loan and receivables      | 1,137        | 1,125        |
| Cash and cash equivalents   |              |              |
| - Loan and receivables      | 18           | 18           |
| <b>Total</b>                | <u>1,155</u> | <u>1,143</u> |

Financial liabilities are included in the statement of financial position within the following headings:

|  | 2017         | 2016         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| <b>Current liabilities</b>                         |              |              |
| Trade and other payables                           |              |              |
| - Financial liabilities recorded at amortised cost | 4,878        | 4,866        |
| <b>Total</b>                                       | <u>4,878</u> | <u>4,866</u> |

The amounts at which the assets and liabilities above are recorded are considered to approximate to fair value

**13 SHARE CAPITAL**

| Authorised, allotted, issued and fully paid up share capital | 2017  | 2016  |
|--|-------|-------|
|  | £'000 | £'000 |
| 1 (2016 - 1) Ordinary shares of 1p each                      | -     | -     |

**14 TRANSACTIONS WITH DIRECTORS AND RELATED PARTIES**

There were no transactions with directors or related parties other than already disclosed in note 5.

Transactions with other group companies were as follows:

|                                   | <b>Management fees charged to:</b> |              | <b>Administrative expenses recharged from:</b> |              |
|-----------------------------------|------------------------------------|--------------|--|--------------|
|                                   | <b>2017</b>                        | <b>2016</b>  | <b>2017</b>                                    | <b>2016</b>  |
|                                   | <b>£'000</b>                       | <b>£'000</b> | <b>£'000</b>                                   | <b>£'000</b> |
| Networkers International (UK) Plc | -                                  | -            | -  | 148          |
| The Comms Group Ltd               | -                                  | -            | -  | -            |
| Cappo International Ltd           | -                                  | -            | -  | -            |
|                                   | <u>-</u>                           | <u>-</u>     | <u>-</u>                                       | <u>148</u>   |

**15 FINANCIAL INSTRUMENTS****Financial Risk Management**

The Board reviews and agrees policies for managing financial risks. The Company's finance function is responsible for managing investment and funding requirements including banking and cash flow monitoring. It seeks to ensure that adequate liquidity exists at all times in order to meet its cash requirements.

The Company's financial instruments comprise borrowings, cash and various items such as trade receivables and trade payables that arise from its operations. The main purpose of these financial instruments is to finance the Company's operations. The Company does not trade in financial instruments. The main risks arising from the Company's financial instruments are described below.

**Liquidity, Interest, Credit and Foreign Currency Risk**

The Board considers that the Company does not have any material risks arising from the effects of exchange rate fluctuations, liquidity issues, interest rate movements or exposure to bad debts.

**16 CAPITAL MANAGEMENT POLICIES AND PROCEDURES**

The company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern; and to provide an adequate return to shareholders.
- by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity as presented on the face of the statement of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, ie equity and financial liabilities. The Company manages the capital structure and makes adjustments in the light of changes in economic conditions and risk characteristics of the underlying assets. Capital for the reporting period under review is summarised as follows:

|                                    | <b>2017</b>          | <b>2016</b>   |
|------------------------------------|----------------------|---------------|
|                                    | <b>£'000</b>         | <b>£'000</b>  |
| Total equity                       | <b>17,554</b>        | 17,554        |
| Cash and cash equivalents          | <b>18</b>            | 18            |
| <b>Capital</b>                     | <b><u>17,572</u></b> | <u>17,572</u> |
| Total equity                       | <b><u>17,554</u></b> | <u>17,554</u> |
| <b>Overall financing</b>           | <b><u>17,554</u></b> | <u>17,554</u> |
| Capital to overall financing ratio | <b>100.1%</b>        | <b>100.1%</b> |

**17 PARENT COMPANY AND ULTIMATE CONTROLLING PARTY**

The Company is a subsidiary undertaking of Matchtech Group (Holdings) Limited, which is a subsidiary undertaking of Gattaca Plc (formerly Matchtech Group Plc) which is also the ultimate parent company. The ultimate parent's consolidated financial statements are available to the public and may be obtained from 1450 Parkway, Solent Business Park, Whiteley, Fareham, Hampshire PO15 7AF.