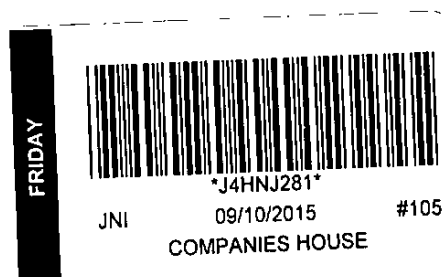
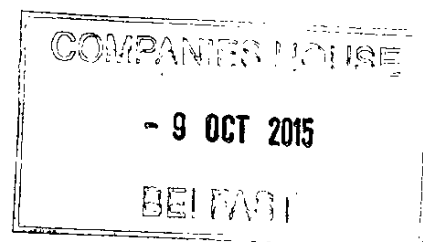


# GTI Recruiting Solutions Limited

## Report and Financial Statements

30 April 2015

Registered No: 3977847



**Directors**

M Halliday

M Tims

G Storey

J Mallott (appointed 7 October 2014)

**Secretary**

M Halliday

**Auditors**

Ernst & Young LLP

Bedford House

16 Bedford Street

Belfast BT2 7DT

**Bankers**

Barclays Bank PLC

1 Churchill Place

London E14 5HP

**Solicitors**

Travers Smith

10 Snow Hill

London EC1A 2AL

**Registered Office**

The Fountain Building

Howbery Park

Benson Lane

Wallingford OX10 8BA

Registered No. 3977847

## Directors' report

The directors present their report and financial statements for the year ended 30 April 2015.

### Results and dividends

The profit for the year after taxation amounted to £14,762 (2014 – loss of £3,042). The directors do not recommend a final dividend (2014 – £nil).

### Principal activity and review of the business

The principal activity of the company in the year under review was the provision of computer database software and the provision of recruitment services.

### Directors

The directors who served the company during the year were as follows:

M Halliday

M Tims

G Storey

P Clark (resigned 12 September 2014)

J Mallott (appointed 7 October 2014)

### Disclosure of information to the auditors

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

### Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

### Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006. A Strategic Report has not been prepared as allowed by the small companies' regime within Part 15 of the Companies Act 2006.

On behalf of the Board



Director  
30 September 2015

G STOREY

## Statement of directors' responsibilities

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 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Independent auditors' report**

## **to the members of GTI Recruiting Solutions Limited**

We have audited the financial statements of GTI Recruiting Solutions Limited for the year ended 30 April 2015 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 15. 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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2015 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 matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# Independent auditors' report

to the members of GTI Recruiting Solutions Limited

## Matters on which we are required to report by exception

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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report and take advantage of the small companies' exemption in preparing the directors' report.



Michael Kidd  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
Belfast  
30 September 2015

## Profit and loss account

for the year ended 30 April 2015

	Notes	2015 £	2014 £
<b>Turnover</b>	2	3,858,626	4,249,329
Cost of sales		(610,920)	(865,799)
<b>Gross profit</b>		3,247,706	3,383,530
Administrative expenses		(2,565,848)	(2,801,800)
Operating profit before amortisation of intangibles		681,858	581,730
Amortisation of intangibles		(665,027)	(584,924)
<b>Operating profit/(loss)</b>	3	16,831	(3,194)
Interest receivable and similar income		130	152
<b>Profit/(Loss) on ordinary activities before taxation</b>		16,961	(3,042)
Tax	6	(2,199)	–
<b>Profit/(Loss) for the financial year</b>	12	14,762	(3,042)

All amounts relate to continuing activities.

## Statement of total recognised gains and losses

for the year ended 30 April 2015

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £14,762 in the year ended 30 April 2015 (2014 – loss of £3,042).

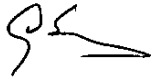
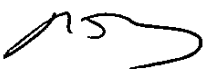
**Balance sheet**

Registered No: 3977847

at 30 April 2015

	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Intangible assets	7	1,696,116	2,110,124
<b>Current assets</b>			
Debtors	8	5,903,170	5,577,506
Cash at bank and in hand		239,454	75,833
		6,142,624	5,653,339
<b>Creditors: amounts falling due within one year</b>	9	(1,024,968)	(964,453)
<b>Net current assets</b>		5,117,656	4,688,886
<b>Total assets less current liabilities</b>		6,813,772	6,799,010
<b>Creditors: amounts falling due after more than one year</b>	10	(4,215,466)	(4,215,466)
<b>Net assets</b>		2,598,306	2,583,544
<b>Capital and reserves</b>			
Called up share capital	11	2	2
Profit and loss account	12	2,598,304	2,583,542
<b>Shareholders' funds</b>	12	2,598,306	2,583,544

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Director  G STOREY Director  M. HALLIDAY

Date 30/9/2015 Date 30/9/15



## Notes to the financial statements

at 30 April 2015

### 1. Accounting policies

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### *Statement of cash flows*

The directors have taken advantage of the exemption in FRS 1 (revised) from including a statement of cash flows in the financial statements on the grounds that the company is wholly owned and its parent published a group statement of cash flows.

#### *Intangible fixed assets*

Purchased goodwill is capitalised at cost and amortised evenly over their estimated useful life of 10 years.

#### *Research and development*

Expenditure on research and development is written off in the year in which it is incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

#### *Deferred taxation*

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### *Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate.

#### *Pensions*

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged to the profit and loss account.

### 2. Turnover

Turnover, which arises from the continuing principal activities of the provision of computer database software and recruitment services, comprises the invoice value of goods and services supplied by the company exclusive of value added tax.

Disclosure of the turnover for each business and geographical segment is not given because in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the company.

## Notes to the financial statements

at 30 April 2015

### 2. Turnover (continued)

Revenue is recognised:

- Upon the delivery of computer database software and recruitment services to customers.
- Upon the renewal of licences and subscriptions.
- On a straight-line basis in relation to income received for maintenance and hosting services over the period of the service.

### 3. Operating profit

This is stated after charging/(crediting):

	2015	2014
	£	£
Auditors' remuneration – audit of the company's financial statements*	10,200	10,200
Amortisation of intangibles	665,027	584,924

\* Fees paid to the company's auditor, Ernst & Young LLP, for services other than the statutory audit of the company are not disclosed in GTI Recruiting Solutions Limited's financial statements since the group financial statements of GTI Recruiting Solutions Limited's ultimate parent, Group GTI Limited, are required to disclose non-audit fees on a group basis.

### 4. Directors' remuneration

Directors' remuneration (excluding pension contributions) of £350,000 (2014 – £682,820) is paid to the company's directors by other Group GTI Limited undertakings. The directors do not believe that it is practical to apportion this remuneration between their services as directors of the company and their services as directors of other Group GTI Limited undertakings.

### 5. Staff costs

	2015	2014
	£	£
Wages and salaries	1,807,938	1,814,277
Social security costs	186,541	188,614
Other pension costs	67,538	66,734
	<u>2,062,017</u>	<u>2,069,625</u>

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

	No.	No.
Managers	4	3
Staff	25	26
	<u>29</u>	<u>29</u>

## Notes to the financial statements

at 30 April 2015

### 6. Tax

#### (a) Tax on charge on ordinary activities

The tax charge is made up as follows:

	2015	2014
	£	£
<b>Group relief:</b>		
Group relief payable	2,199	–
Total group relief	2,199	–
Current tax for the year (note 6(b))	2,199	–
 Tax on profit on ordinary activities	 2,199	 –

#### (b) Factors affecting current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20.92% (2014 – 22.83%). The differences are explained below:

	2015	2014
	£	£
Profit/(loss) on ordinary activities before tax	16,961	(3,042)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.92% (2014 – 22.83%)	3,548	(694)
<b>Effects of:</b>		
Disallowed expenses and non-taxable income	450	333
Short term timing differences	(1,218)	(273)
Utilisation of losses forward	(581)	–
Losses not utilised	–	634
Current tax for the year (note 6(a))	2,199	–

#### (c) Deferred tax

There is an unrecognised deferred tax asset of £27,993 at year end (2014 – £29,713).

#### (d) Factors that may affect future tax charges

Deferred tax has been calculated at 20% as at 30 April 2015 reflecting HMRC enactment of a reduction in the corporation tax rate effective from 1 April 2015. It is expected that the main rate of corporation tax will reduce to 19% in 2017 and 18% in 2020 however these rate reductions were not substantively enacted at the balance sheet date.

## Notes to the financial statements

at 30 April 2015

### 7. Intangible fixed assets

	<i>Purchased goodwill</i>	<i>Development expenditure</i>	<i>Total</i>
	£	£	£
Cost:			
At 1 May 2014	4,163,287	621,582	4,784,869
Additions	–	251,019	251,019
At 30 April 2015	4,163,287	872,601	5,035,888
Amortisation:			
At 1 May 2014	2,410,325	264,420	2,674,745
Charge for the year	431,700	233,327	665,027
At 30 April 2015	2,842,025	497,747	3,339,772
Net book value:			
At 30 April 2015	1,321,262	374,854	1,696,116
At 1 May 2014	1,752,962	357,162	2,110,124

The intangible asset arising on acquisition of purchased goodwill has been capitalised and is being amortised over its estimated useful economic life from the date of acquisition. The directors have estimated that the useful economic life of the goodwill is 10 years.

### 8. Debtors

	2015	2014
	£	£
Trade debtors	895,330	1,047,201
Prepayments and accrued income	4,719	–
Other debtors	293	6,256
Amounts owed by group undertakings	5,002,828	4,524,049
	<u>5,903,170</u>	<u>5,577,506</u>

### 9. Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	92,055	44,700
Other creditors	181,099	210,148
Other taxes and social security costs	116,063	103,196
Group relief payable	428,206	426,007
Accruals and deferred income	207,545	180,402
	<u>1,024,968</u>	<u>964,453</u>

## Notes to the financial statements

at 30 April 2015

### 10. Creditors: amounts falling due after more than one year

	2015	2014
	£	£
Amounts owing to group undertakings	4,215,466	4,215,466

### 11. Issued share capital

	No.	2015 £	No.	2014 £
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	2	2	2	2

### 12. Reconciliation of shareholders' funds and movements on reserves

	Share capital £	Profit and loss account £	Total share- holders' funds £
At 1 May 2014	2	2,583,542	2,583,544
Profit for the year	–	14,762	14,762
At 30 April 2015	2	2,598,304	2,598,306

### 13. Pensions

The company operates a defined contribution pension scheme. Contributions during the year amounted to £67,538 (2014 – £66,734). At the year-end there were no pension contributions outstanding (2014 – £nil of pension contributions remained outstanding).

### 14. Related party transactions

Transactions with related parties are as follows (note that companies within the Group may also pay amounts on behalf of other entities, for which a corresponding intercompany balance is recognised):

	Sales £	Purchases and management charges £	Balance owed to related party at 30 April £	Balance due from related party at 30 April £
<b>2015:</b>				
Parent undertakings	–	250,000	–	1,680,193
Other group undertakings	–	–	4,215,466	3,322,635
<b>2014:</b>				
Parent undertakings	–	460,000	–	1,121,397
Other group undertakings	–	–	4,215,466	3,402,652

## Notes to the financial statements

at 30 April 2015

### 15. Ultimate parent undertaking and controlling party

The parent undertaking of the smallest and largest group of which the company is a member and for which group financial statements are prepared is Group GTI Limited, a company incorporated in the United Kingdom.

A copy of the group financial statements of Group GTI Limited is available from

The Fountain Building  
Howbery Park  
Benson Lane  
Wallingford OX10 8BA

The ultimate controlling party of the company is Exponent Private Equity Partners, LLP, a partnership registered in the United Kingdom.