

CYCENE LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018



CYCENE LIMITED

COMPANY INFORMATION

Directors	S Barber FCA J Murray ACA
Secretary	R Adam FCMA Pinsent Masons Secretarial Limited
Company number	07569091
Registered office	Omega Boulevard Capitol Park Thorne Doncaster DN8 5TX
Auditor	KPMG LLP 1 Sovereign Square Sovereign Street Leeds LS1 4DA

CYCENE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present the strategic report for the year ended 31 December 2018.

Fair review of the business

Shares in the Company were acquired by Cycene Investments Limited on the 5th January 2018 and now operates as an intermediate holding company.

The statement of financial position on page 7 of the financial statements shows at net asset position of £8,137,000 (2017 - £8,051,000).

Principal risks and uncertainties

The main risk of the Company is in relation to potential impairment of fixed asset investments. An assessment is carried out at each year end by management to review for any indicators that a fixed asset investment may be impaired. The directors concluded that there are no indicators of impairment.

As the Company acts as an intermediate holding company, there are no other specific risks and uncertainties relevant to the Company.

Key performance indicators

As the Company acts as an intermediary holding company, the directors believe that key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. Key performance indicators are managed and disclosed at the Group level, Cycene Investments Limited.

By order of the board



R Adam FCMA
Secretary

17 June 2019

CYCENE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

These are the first published financial statements of the company prepared in accordance Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101"). The financial statements were previously prepared under International Financial Reporting Standards, as adopted in the EU.

Principal activities

The principal activity of the company continued to be that of the intermediary holding company.

Directors

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

S Barber FCA	
J Murray ACA	
S Acres	(Resigned 5 January 2018)
J Cahill	(Resigned 5 January 2018)
A England	(Resigned 5 January 2018)
T Labbett	(Resigned 5 January 2018)
Sir R S Murray CBE	(Resigned 5 January 2018)
R Tattersall	(Resigned 5 January 2018)

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Financial instruments

As the Company acts as an intermediary holding company, the only financial instruments held by the Company are intercompany loans with a fixed interest rate and other payables.

Going concern

The directors have prepared cash flow forecasts and considered potential sensitivities around these forecasts together with available funding and are satisfied that they can meet net current liabilities as they fall due. Consequently, the financial statements have been prepared on a going concern basis. Further details are included in the notes to the financial statements

Future developments

The Company will continue to operate as an intermediary holding company.

Auditor

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the Company is to be proposed at the forthcoming AGM.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

CYCENE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

By order of the board



R Adam FCMA
Secretary

17 June 2019

CYCENE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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 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), including Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101"). 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, including FRS 101, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CYCENE LIMITED

Opinion

We have audited the financial statements of Cycene Limited ("the Company") for the year ended 31 December 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Brexit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the recoverability of investments and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effective unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might effect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CYCENE LIMITED (CONTINUED)

Strategic report and directors' report

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

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

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

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

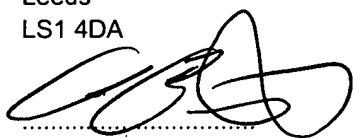
A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CYCENE LIMITED (CONTINUED)

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

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

Ian Beaumont (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA



17 June 2019

CYCENE LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £'000	2017 £'000
Other operating income		86	69
Operating profit	3	86	69
Investment income	4	-	5
Profit before taxation		86	74
Tax on profit	5	-	-
Profit for the financial year		86	74
Total comprehensive income for the year		86	74

All results presented above arise from continuing operations and are wholly attributable to the equity shareholders of the Company.

CYCENE LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2018**

	Notes	2018 £'000	2017 £'000
Non-current assets			
Investments	6	57,358	57,358
Current assets			
Trade and other receivables	8	-	105
Current liabilities	9	(49,221)	-
Net current (liabilities)/assets		(49,221)	105
Total assets less current liabilities		8,137	57,463
Non-current liabilities	10	-	(49,412)
Net assets		8,137	8,051
Equity			
Called up share capital	11	23	23
Share premium account	12	2,475	2,475
Capital redemption reserve	12	2	2
Retained earnings	12	5,637	5,551
Total equity		8,137	8,051

The financial statements were approved by the board of directors and authorised for issue on **17 June 2019** and are signed on its behalf by:



 S Barber FCA
 Director

CYCENE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Share capital	Share premium account	Capital redemption reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2017	24	2,475	1	7,877	10,377
Year ended 31 December 2017:					
Profit and total comprehensive income for the year	-	-	-	74	74
Shares repurchased	(1)	-	1	(2,400)	(2,400)
Balance at 31 December 2017	23	2,475	2	5,551	8,051
Year ended 31 December 2018:					
Profit and total comprehensive income for the year	-	-	-	86	86
Balance at 31 December 2018	23	2,475	2	5,637	8,137

CYCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Cycene Limited (The "Company") is a private company limited by shares and is incorporated, domiciled and registered in England. The registered office is Omega Boulevard, Thorne DN8 5TX.

The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 2.

Accounting convention

These financial statements were prepared in accordance with Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the company applies the recognition and measurement requirements of International Financial Reporting Standards as adopted by the EU ("IFRS"), amended where necessary in order to comply with Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

Reduced disclosures

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements and, where relevant, equivalent disclosures have been made in the Group accounts of Cycene Investments Limited, in accordance with FRS 101:

- Presentation of a Statement of Cash Flows and related notes;
- Disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- Disclosure of key management personnel compensation;
- Related party disclosures for transactions with the parent or wholly owned members of the group
- Financial instruments disclosures, including:
 - Carrying amounts and fair values of financial instruments by category and information about the nature and extent of risks arising on financial instruments;
 - Effects of initial application of IFRS 9
- Disclosure of objectives, policies and processes for managing capital

Transition to FRS 101

During the year, the Company transitioned to Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101") from IFRS and has taken advantage of the disclosure exemptions allowed under this standard.

There were no material adjustments arising from the adoption of FRS 101, and therefore no reconciliations of equity, or of profit, have been presented.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Consolidation

The Company has taken advantage of the exemption in section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

Consequently, these financial statements present the financial position and financial performance of the Company as a single entity.

CYCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

Going concern

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through its existing bank overdraft facility, to meet its liabilities as they fall due for that period. Further, the ultimate controlling party has indicated its intention to provide ongoing financial support for a period of at least the next 12 months, if required. Consequently, despite a net current liabilities position at the balance sheet date, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Non-current investments

Investments in subsidiaries are carried at cost less impairment.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Financial instruments

Recognition of financial instruments

Financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument.

Initial and subsequent measurement of financial assets

Other receivables

Receivables are held to collect the contractual cash flows which are solely payments of principal and interest. Therefore, these receivables are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Initial and subsequent measurement of financial liabilities

Group and other payables

Group and other payables are initially measured at fair value, net of direct transaction costs and subsequently measured at amortised cost.

Equity instruments

Equity instruments issued by the Company are recorded at fair value on initial recognition net of transaction costs. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

CYCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

Derecognition of financial assets (including write-offs) and financial liabilities

A financial asset (or part thereof) is derecognised when the contractual rights to cash flows expire or are settled, or when the contractual rights to receive the cash flows of the financial asset and substantially all the risks and rewards of ownership are transferred to another party.

When there is no reasonable expectation of recovering a financial asset it is derecognised ('written off'). The gain or loss on derecognition of financial assets measured at amortised cost is recognised in profit or loss.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires. Any difference between the carrying amount of a financial liability (or part thereof) that is derecognised and the consideration paid is recognised in profit or loss.

Taxation

Current income tax

The charge for current taxation is provided at amounts expected to be paid (or recovered) using tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Impairment of non-current investments

The Company assesses impairment of non-current investments at each reporting date by evaluating conditions specific to the company and to the particular investment that may lead to impairment. If an impairment trigger exists, the recoverable amount of the investment is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

3 Operating profit

Audit fees and directors' remuneration are borne by a fellow group company.

CYCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

4 Investment income

	2018 £'000	2017 £'000
Interest income		
Other interest income	-	5
	<u> </u>	<u> </u>

5 Taxation

The total tax charge for the year included in the statement of comprehensive income can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2018 £'000	2017 £'000
Profit before taxation	86	74
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	16	14
Tax effect of expenses that are not deductible in determining taxable profit	(16)	(14)
	<u> </u>	<u> </u>
Taxation charge for the year	-	-
	<u> </u>	<u> </u>

Reductions to the UK Corporation tax rates were substantively enacted as part of the Finance Bill 2015 on 26 October 2015 and the Finance Bill 2016 on 6 September 2016. These reduce the main rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

6 Fixed asset investments

	Notes	2018 £'000	2017 £'000
Investments in subsidiaries	7	57,358	57,358
		<u> </u>	<u> </u>

Movements in non-current investments

	Shares in group undertakings £'000
Cost or valuation	
At 1 January 2018 & 31 December 2018	57,358
	<u> </u>
Carrying amount	
At 31 December 2018	57,358
	<u> </u>
At 31 December 2017	57,358
	<u> </u>

CYCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

7 Subsidiaries

Investments represent the Company's holding in the entire issued share capital of Omega PLC and Black Cat Bidco Ltd, which both have their registered addresses as Omega Boulevard, Thorne, DN8 5TX, UK.

At 31 December 2018, Omega PLC and Black Cat Bidco Ltd had a number of wholly owned subsidiaries, which were dormant as follows:

Name of undertaking	Nature of business	Class of shares held
Charles Rennie Mackintosh Limited	Dormant	Ordinary
Chippendale Kitchens Limited	Dormant	Ordinary
Frank Lloyd Wright Limited	Dormant	Ordinary
George Hepplewhite Limited	Dormant	Ordinary
Hepplewhite Kitchens Limited	Dormant	Ordinary
Kitchens UK Limited	Dormant	Ordinary
Omega Kitchens Limited	Dormant	Ordinary
Sheraton Kitchens Limited	Dormant	Ordinary
Thomas Chippendale Limited	Dormant	Ordinary
Thomas Hope Limited	Dormant	Ordinary
Thomas Sheraton Limited	Dormant	Ordinary
Select Kitchens Ltd	Dormant	Ordinary
Select Bedrooms Ltd	Dormant	Ordinary
Omega Contracts Limited	Dormant	Ordinary
Omega Topco Limited	Dormant	Ordinary
Omega Bidco Ltd	Dormant	Ordinary
Omega International Group Limited*	Dormant	Ordinary
Devine Kitchens Limited	Dormant	Ordinary

* wholly owned subsidiary of Omega Bidco Ltd

8 Trade and other receivables

	2018 £'000	2017 £'000
Amounts falling due within one year:		
Other receivables	-	105

Other receivables relates solely to management loans. Interest accrued on the loans was at a rate of 4% per annum.

CYCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

9 Current liabilities

	2018 £'000	2017 £'000
Amounts due to group undertakings	48,018	-
Other payables	1,203	-
	<u>49,221</u>	<u>-</u>

The balances held with other group companies are presented as current given they are interest free and repayable on demand.

Other payables relates to shares classified as liabilities, as disclosed in note 11.

10 Non-current liabilities

	2018 £'000	2017 £'000
Amounts due to group undertakings	-	48,209
Other payables	-	1,203
	<u>-</u>	<u>49,412</u>

Other payables relates to shares classified as liabilities, as disclosed in note 11.

CYCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

11 Share capital

	2018 £'000	2017 £'000
Ordinary share capital		
Issued and fully paid		
2,229,495 Ordinary shares of 1p each	23	23
	<u>23</u>	<u>23</u>

On 1st June 2017 the company entered an agreement to repurchase 290,750 shares with a nominal value of £3,000 at a cost of £2,400,000 as part of the shareholder renegotiation. The nominal value of the shares repurchased and cancelled was added to the Capital Redemption reserve. The purchase was settled by way of cash £1,200,000 and 145,375 deferred ordinary shares of £0.01 each. The deferred shares were purchased for £1,200,000 on 1st June 2017. At the year end, £1,203,000 of the share capital is classified as liabilities and are presented within other current liabilities in note 9, as they are repayable in May 2019.

'A' Ordinary shareholders have the same rights as ordinary shareholders, except for:

- on a return of assets on liquidation, capital reductions or sale or listing or otherwise, 'A' ordinary shareholders have no right to share in any surplus arising for distribution.
- the right to receive a cumulative annual dividend (being the nominal value of the 'A' ordinary shares multiplied by LIBOR minus 0.5%) payable after 5 years from the anniversary of issue or a change of control in the Company or realisation.

The Company's ordinary shares each carry the right to one vote at general meetings of the Company. All issued share capital is classified as equity.

12 Reserves

Reserves of the Company represent the following:

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Capital redemption reserve

The nominal value of shares repurchased and still held at the year end.

Retained earnings

Cumulative profit and loss net of distributions to owners.

13 Controlling party

On 5 January 2018, the Company was acquired by Cycene Investments Limited, a company registered in England and is now an immediate parent company.

Cycene Investments Limited is the parent undertaking of the smallest and largest group to consolidate these accounts in the EU. These accounts are available from its Company Secretary at Omega Boulevard, Capitol Park, Thorne, Doncaster DN8 5TX.

The ultimate parent company and controlling party is Murray Investments Limited, a company registered in Jersey.