

Company Registration No. 07462194 (England and Wales)

**6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE)
LIMITED)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016



6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

COMPANY INFORMATION

Director	M Reilly
Company number	07462194
Registered office	1-3 Sun Street 1st Floor London EC2A 2EP
Auditor	M J Bushell Ltd 8 High Street Brentwood Essex CM14 4AB

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

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6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The director presents the strategic report for the year ended 31 December 2016.

Fair review of the business

The principal activity of the company continued to be that of the management of contractors working in mainland Europe.

The results for the year and the financial position of the company are shown in the annexed financial statements.

The company's key financial and other performance indicators during the year were as follows:

	2016	2015
	£	£
Turnover	54,744,158	49,090,851

The company has continued to grow in its core markets.

Principal risks and uncertainties

The principal risk and uncertainty faced by the company is the regulatory risk relating to changes to employment and tax legislation in each of the jurisdictions in which its contractors operate.

The company is committed to responding positively and proactively to changes in legislation, although changes could adversely impact the resources within the business.

The company is also exposed to foreign currency risk, with its principal operating currency being the Euro. The company manages its exposure by using foreign currency accounts.

Credit risk is the risk that customers or counterparties will not be able to meet their obligations to the company. Policies are aimed at minimising such risk and possible losses.

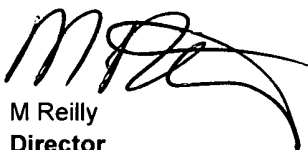
Liquidity risk is the risk that the company will be unable to meet its financial obligations as they fall due. The company ensures that sufficient liquid assets are available on a day to day basis to meet cash flow requirements.

Future developments

The company's strategic objectives are:

- Continue to grow business across EMEA region
- Develop affiliate services
- Increase net margin
- Review and control third party costs
- Continue to streamline processes
- Introduce software platform
- Continue PR and marketing strategy

On behalf of the board



M Reilly
Director

4 August 2017

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The director presents her report and financial statements for the year ended 31 December 2016.

Director

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

M Reilly

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Auditor

The auditor, M J Bushell Ltd, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is 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 director is required to:

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

The director is 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. She is 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.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of information that would have been included in the business review and the principal risks and uncertainties.

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

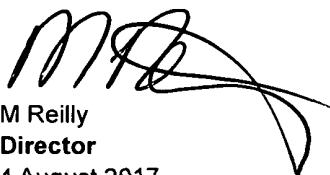
DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

A handwritten signature in black ink, appearing to be 'M Reilly', with a long, sweeping flourish extending to the right.

M Reilly
Director

4 August 2017

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF 6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

We have audited the financial statements of 6CATS International Ltd. (Formerly CXC Global (Europe) Limited) for the year ended 31 December 2016 set out on pages 6 to 19. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditor

As explained more fully in the Director's Responsibilities Statement set out on pages 2 - 3, the director is 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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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 financial statements

In our opinion the financial statements:

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

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

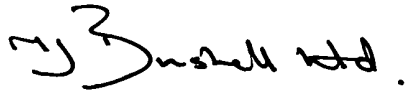
TO THE MEMBER OF 6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Director's Report.

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.



Ian Warwick ACA FCCA (Senior Statutory Auditor)
for and on behalf of M J Bushell Ltd

4 August 2017

Chartered Accountants
Statutory Auditor

8 High Street
Brentwood
Essex
CM14 4AB

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	2016 £	2015 £
Turnover	3	54,744,158	49,090,851
Cost of sales		(53,268,899)	(47,519,684)
Gross profit		1,475,259	1,571,167
Administrative expenses		(1,428,109)	(1,660,554)
Other operating income		29,721	155,426
Operating profit	4	76,871	66,039
Interest payable and similar expenses	6	-	(21)
Profit before taxation		76,871	66,018
Taxation	7	(15,395)	(15,344)
Profit for the financial year		61,476	50,674

The profit and loss account has been prepared on the basis that all operations are continuing operations.

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Investments	8		4,785		4,785
Current assets					
Debtors	11	4,704,618		4,214,817	
Cash at bank and in hand		1,262,213		1,133,316	
		<u>5,966,831</u>		<u>5,348,133</u>	
Creditors: amounts falling due within one year	12	<u>(5,766,725)</u>		<u>(5,209,503)</u>	
Net current assets			200,106		138,630
Total assets less current liabilities			<u>204,891</u>		<u>143,415</u>
Capital and reserves					
Called up share capital	13		100		100
Profit and loss reserves			204,791		143,315
Total equity			<u>204,891</u>		<u>143,415</u>

The financial statements were approved and signed by the director and authorised for issue on 4 August 2017



M Reilly
Director

Company Registration No. 07462194

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2015	100	92,641	92,741
Year ended 31 December 2015:			
Profit and total comprehensive income for the year	-	50,674	50,674
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2015	100	143,315	143,415
Year ended 31 December 2016:			
Profit and total comprehensive income for the year	-	61,476	61,476
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2016	<u>100</u>	<u>204,791</u>	<u>204,891</u>

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		144,262		(456,924)
Interest paid			-		(21)
Income taxes paid			(15,365)		(36,973)
Net cash inflow/(outflow) from operating activities			128,897		(493,918)
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			128,897		(493,918)
Cash and cash equivalents at beginning of year			1,133,316		1,642,098
Effect of foreign exchange rates			-		(14,864)
Cash and cash equivalents at end of year			1,262,213		1,133,316

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

6CATS International Ltd. (Formerly CXC Global (Europe) Limited) is a private company limited by shares incorporated in England and Wales. The registered office is 1-3 Sun Street, 1st Floor, London, EC2A 2EP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the 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 £1.

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

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as its sole subsidiary undertaking is not material for the purpose of the financial statements giving a true and fair view and can therefore be excluded from consolidation under section 405 of the Companies Act 2006.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due, net of value added tax.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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.

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Turnover		
Contractor management services	54,744,158	49,090,851
	<u> </u>	<u> </u>
Other significant revenue		
Commissions received	21,494	243
	<u> </u>	<u> </u>

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

3 Turnover and other revenue (Continued)

Turnover analysed by geographical market

	2016 £	2015 £
United Kingdom	43,496,638	41,653,921
Rest of Europe	7,031,264	5,220,925
Rest of World	4,216,256	2,216,005
	<u>54,744,158</u>	<u>49,090,851</u>

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(103,419)	111,464
Operating lease charges	<u>61,973</u>	<u>15,837</u>

5 Auditor's remuneration

	2016 £	2015 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	<u>6,250</u>	<u>6,250</u>
For other services		
Taxation compliance services	750	750
All other non-audit services	<u>2,100</u>	<u>2,850</u>
	<u>2,850</u>	<u>3,600</u>

6 Interest payable and similar expenses

	2016 £	2015 £
Other finance costs:		
Other interest	-	21
	<u>-</u>	<u>21</u>

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

7 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	15,374	15,344
Adjustments in respect of prior periods	21	-
Total current tax	<u>15,395</u>	<u>15,344</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	<u>76,871</u>	<u>66,018</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%)	15,374	13,366
Tax effect of expenses that are not deductible in determining taxable profit	-	1,978
Under/(over) provided in prior years	21	-
Taxation charge for the year	<u>15,395</u>	<u>15,344</u>

8 Fixed asset investments

	Notes	2016 £	2015 £
Investments in subsidiaries	9	<u>4,785</u>	<u>4,785</u>

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2016 & 31 December 2016	<u>4,785</u>
Carrying amount	
At 31 December 2016	<u>4,785</u>
At 31 December 2015	<u>4,785</u>

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

9 Subsidiaries

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
CXC Global Sweden AB	Sweden	Management of contractors working in sweden	Ordinary	100.00	-

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
CXC Global Sweden AB	(10,201)	22,530

As explained in note 1.1, exclusion is on the basis of immateriality.

10 Financial instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,343,204	1,621,034
Carrying amount of financial liabilities		
Measured at amortised cost	4,660,409	4,343,585

11 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	848,579	1,303,847
Corporation tax recoverable	24,986	9,642
Amounts due from group undertakings	388,262	274,857
Other debtors	106,363	42,330
Prepayments and accrued income	3,336,428	2,584,141
	4,704,618	4,214,817

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

12 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	58,519	93,113
Amounts due to group undertakings	218,538	112,191
Corporation tax	15,374	-
Other taxation and social security	1,090,942	865,918
Other creditors	12,205	54,666
Accruals and deferred income	4,371,147	4,083,615
	<u>5,766,725</u>	<u>5,209,503</u>

13 Share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

14 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	81,588	81,588
Between two and five years	81,588	163,175
	<u>163,176</u>	<u>244,763</u>

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

15 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Management fees receivable		Management fees payable	
	2016	2015	2016	2015
	£	£	£	£
Entities with control, joint control or significant influence over the company	-	-	-	77,703
Other entities under common control	-	155,183	-	-
	<u>-</u>	<u>155,183</u>	<u>-</u>	<u>-</u>
	Administrative services payable		Net commissions (receivable)/payable	
	2016	2015	2016	2015
	£	£	£	£
Other entities under common control	-	963,806	-	-
	<u>-</u>	<u>963,806</u>	<u>-</u>	<u>-</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2016	2015
	£	£
Other entities under common control	218,538	112,191
	<u>218,538</u>	<u>112,191</u>

	Amounts owed by related parties	
	2016	2015
	£	£
Entities with control, joint control or significant influence over the company	250,020	-
Entities over which the entity has control, joint control or significant influence	16,899	16
Other entities under common control	121,343	274,841
	<u>388,262</u>	<u>274,857</u>

No guarantees have been given or received.

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

16 Controlling party

The company is a wholly owned subsidiary of Compure Ltd, a company incorporated in England and Wales.

The ultimate controlling party is Michelle Reilly, the company's sole director.

17 Cash generated from operations

	2016 £	2015 £
Profit for the year after tax	61,476	50,674
Adjustments for:		
Taxation charged	15,395	15,344
Finance costs	-	21
Foreign exchange gains on cash equivalents	-	14,864
Movements in working capital:		
(Increase) in debtors	(474,457)	(849,974)
Increase in creditors	541,848	312,147
Cash generated from/(absorbed by) operations	<u>144,262</u>	<u>(456,924)</u>

**6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE)
LIMITED)**

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2016

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2016

		2016		2015
	£	£	£	£
Turnover				
UK Sales		43,496,638		41,653,921
Rest of Europe sales		7,031,264		5,220,925
Rest of World sales		4,216,256		2,216,005
		<u>54,744,158</u>		<u>49,090,851</u>
Cost of sales				
Contractor payments	53,268,899		47,519,684	
	<u></u>	<u>(53,268,899)</u>	<u></u>	<u>(47,519,684)</u>
Gross profit	2.69%	1,475,259	3.20%	1,571,167
Other operating income				
Commissions receivable as other operating income	21,494		243	
Management charge receivable from group companies	8,227		155,183	
	<u></u>	<u>29,721</u>	<u></u>	<u>155,426</u>
Administrative expenses		(1,428,109)		(1,660,554)
Operating profit		<u>76,871</u>		<u>66,039</u>
Interest payable and similar expenses				
Interest on overdue taxation - not financial liabilities		-		(21)
Profit before taxation	0.14%	<u><u>76,871</u></u>	0.13%	<u><u>66,018</u></u>

6CATS INTERNATIONAL LTD. (FORMERLY CXC GLOBAL (EUROPE) LIMITED)

**SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 £	2015 £
Administrative expenses		
Staff welfare	-	252
Management charge	989,037	971,509
Commissions payable to third parties	17,162	26,590
Rent	61,973	15,837
Service charge payable	12,883	2,980
Premises insurance	855	233
Equipment repairs	-	(2,581)
IT outsourcing	-	150
Professional subscriptions	350	-
Legal and professional fees	9,989	16,907
Outsourced professional fees	309,671	322,016
Outsourced administration fees	49,952	73,143
Consultancy fees	-	24,796
Accountancy	2,850	3,600
Audit fees	6,250	6,250
Charitable donations	-	50
Bank charges	63,911	88,549
Advertising	7,783	250
Sundry expenses	(1,138)	(1,441)
Profit or loss on foreign exchange	(103,419)	111,464
	<hr/> 1,428,109 <hr/>	<hr/> 1,660,554 <hr/>
