COMPANY REGISTRATION NUMBER 02745421

Sequel Business Solutions Limited

Financial Statements

30 June 2017

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Sequel Business Solutions Limited

Financial Statements

Year ended 30 June 2017

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Sequel Business Solutions Limited

Officers and Professional Advisers

The Board of Directors	M J Garcia Aguiar W E Barrie A C Homer A M McAllister R J Stavrou I C Summers H Banton T G Boucher (appointed 26 January 2017) P Droussiotis (resigned 30 June 2017) R C Just (resigned 10 February 2017) S K Ryder (resigned 30 June 2017)
Registered Office	Level 14, The Broadgate Tower 20 Primrose Street London EC2A 2EW
Auditor	KPMG LLP Statutory Auditor 100 Hills Road Cambridge CB2 1AR

Sequel Business Solutions Limited

Directors' report

Year ended 30 June 2017

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2017.

Results and dividends
The profit for the year, after taxation, amounted to £9,032,414 (2016: £7,993,723).

The directors do not recommend the payment of a final dividend (2016: £nil).

Directors' indemnity
The company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the company.

Appropriate directors' and officers' liability insurance cover is in place in respect of all of the company's directors.

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

M J Garcia Aguiar
W E Barrie
A C Homer
A M McAllister
R J Stavrou
I C Summers
H Banton
T G Boucher (appointed 26 January 2017)
P Droussiotis (resigned 30 June 2017)
R C Just (resigned 10 February 2017)
S K Ryder (resigned 30 June 2017)

Political and charitable contributions
The Company made no political contributions during the year (2016: £nil). Donations to charities amounted to £1,760 (2016: £1,055).

Disclosure of information to auditors
In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Other information
The "group" is defined in this financial report as the parent company Sequel Equityco Ltd and its wholly owned subsidiaries.

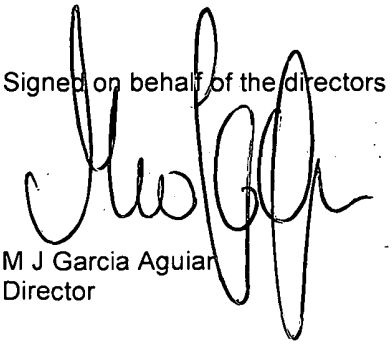
An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 4.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Registered office:
Level 14, the Broadgate Tower
20 Primrose Street
London
EC2A 2EW

Signed on behalf of the directors



M J Garcia Aguiar
Director

Approved by the directors on 10 August 2017.

Principal activities and business review
The principal activity of the group is delivering business software to broking and underwriting companies within the global, complex insurance and reinsurance industries.

The profit and loss account is set out on page 9 and this illustrates performance for the year.

Group turnover has increased year on year by 23%, due to increased sales of core insurance solutions to customers both within the UK and internationally. Sales growth has been driven by sales of multi-year term licences and associated services revenues to both new customers and existing customers. The majority of revenues are now derived from recurring multi-year licence sales primarily from Sequel's five core products.

The Group has five core solutions which address the full complex insurance operational process. The products include the Eclipse Underwriting and Eclipse Broking software, which provide end-to-end underwriting and broking workflow solutions; Sequel Claims, a commercial and specialty insurance claims management solution; Sequel Re, an end to end platform for outward re-insurance; and Sequel Impact, a risk analytics and exposure management tool.

The current financial year has seen further adoption of core products by the existing client base, as our clients seek best in class software solutions for their critical business processes.

Sequel has continued to invest in all of its solutions, in collaboration with its clients, through increased investment in research and development. The board continue to prioritise the development of its products, in order to meet and exceed the expectations of the specialty insurance market, and to extend the capability of the product suite into adjacent insurance markets. Sequel fosters innovation, through the use of innovation forums, held regularly with clients.

The effect of this increasing investment has been recognised by the number of awards that the Group has been shortlisted for and has won, over the last 12 months, which has included IT Europa European IT & Software Awards Vertical Solution of the Year, ACQ's Growth Company of the Year (Insurance/Reinsurance Software) and ACQ's award of Game Changer of the Year for the Group's CEO Mario Garcia.

The Group is based both in London, UK and Malaga, Spain, and headcount has increased in both locations. Attracting and retaining the best talent continues to be central to the success of the Group. The Board would like to publicly recognise the ongoing commitment, hard work and excellence of our people.

The directors consider that the level of business and the year-end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

Principal risks and uncertainties
The principal risks and uncertainties facing the group relate to customer retention, success of new product development, employee retention, cyber security and the protection of the group's intellectual property.

Financial risk management objectives and policies
The company operates a centralised treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the company's activities.

The company ensures that it has sufficient liquid resources to meet the operating needs of its business.

No hedging activities are entered into by the company.

Credit risk
The company's credit risk is attributable to its trade debtors. Balances are concentrated in a controlled number of large customers which are blue chip companies and Lloyd's Syndicates.

All prospective customers must fulfil credit rating criteria approved by the Board. Receivable balances are monitored on an ongoing basis.

Registered office:
Level 14, the Broadgate Tower
20 Primrose Street
London
EC2A 2EW

Signed on behalf of the directors

M J Garcia Aguiar
Director

Approved by the directors on 10 August 2017.

Sequel Business Solutions Limited

Statement of Directors' Responsibilities

Year ended 30 June 2017

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

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 applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use 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.

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 responsible for 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, and 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.

Opinion

We have audited the financial statements of Sequel Business Solutions Limited ("the company") for the year ended 30 June 2017 which comprise the Profit and Loss and Other Comprehensive Income, Balance Sheet, 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 30 June 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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.

Going concern

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

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 6 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.

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.

Charles le Strange Meakin (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

100 Hills Road
Cambridge
CB2 1AR

10 August 2017

Sequel Business Solutions Limited

Profit and Loss Account and Other Comprehensive Income

30 June 2017

	Note	Year ended 30 June 17 £	Year ended 30 June 16 £
Turnover	2	**26,206,911**	21,252,595
Administrative expenses		**(16,176,241)**	(12,579,615)
Other income	3	**325,100**	250,725
Operating profit	3	**10,355,770**	8,923,705
Interest receivable		**4,124**	3,440
Result before taxation		**10,359,894**	8,927,145
Tax on profit	6	**(1,327,480)**	(933,422)
Profit for the year		**9,032,414**	7,993,723
Other comprehensive income			
Other comprehensive income for the year net of income tax		-	-
Total comprehensive income for the year		**9,032,414**	7,993,723

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 12 to 22 form part of these financial statements.

Sequel Business Solutions Limited

Balance Sheet

30 June 2017

	Note	30 June 17 £	30 June 16 £
Fixed assets			
Tangible assets	7	**905,354**	1,355,771
Intangible assets	8	**4,663,848**	1,987,368
Current assets			
Debtors	9	**34,110,454**	28,901,682
Cash at bank		**12,342,286**	7,345,597
		46,452,740	36,247,279
Creditors: amounts falling due within one year	11	**(12,393,687)**	(9,027,776)
Provisions for liabilities and charges falling due within one year	12	**(137,520)**	(116,473)
Net current assets		**33,921,533**	27,103,030
Total assets less current liabilities		**39,490,735**	30,446,169
Provisions for liabilities and charges	12	**(315,943)**	(303,791)
Net assets		**39,174,792**	30,142,378
Capital and reserves			
Called-up equity share capital	15	**99**	99
Share premium account		**370,578**	370,578
Other reserves		**68**	68
Profit and loss account		**38,804,047**	29,771,633
Shareholders' funds		**39,174,792**	30,142,378

These financial statements were approved by the directors and authorised for issue on 10 August 2017, and are signed on their behalf by:

M J Garcia Aguiar
Director

Company Registration Number: 02745421

The notes on pages 12 to 22 form part of these financial statements.

Sequel Business Solutions Limited

Statement of Changes in Equity

30 June 2017

	Called-up Share Capital £	Share Premium Account £	Other Reserves £	Profit and Loss Account £	Total £
At 30 June 2015	99	370,578	68	21,777,910	22,148,655
Profit and total comprehensive income for the year	-	-	-	7,993,723	7,993,723
At 30 June 2016	99	370,578	68	29,771,633	30,142,378
Profit and total comprehensive income for the year	-	-	-	9,032,414	9,032,414
At 30 June 2017	**99**	**370,578**	**68**	**38,804,047**	**39,174,792**

The notes on pages 12 to 22 form part of these financial statements.

1. Accounting policies

Sequel Business Solutions Limited (the "Company") is a company limited by shares and incorporated and domiciled in England in the UK.

Basis of accounting
These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK (*"FRS 102"*) as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is Sterling. All amounts in the financial statements have been rounded to the nearest Sterling.

The Company's ultimate parent undertaking, Sequel Equityco Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Sequel Equityco Limited are prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Sequel Equityco Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Company proposes to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement Convention
The financial statements are prepared on the historical cost basis except financial instruments classified at fair value through the profit or loss that are stated at fair value.

Going concern
The financial statements have been prepared on the going concern basis as the directors have undertaken a review of the future financing requirements for the ongoing operation of the Company and the wider Sequel group. They are satisfied that the cash facilities available to and cash flows generated by the group are sufficient to meet its working capital requirements for the foreseeable future. The directors accordingly consider it appropriate for the financial statements to be prepared on a going concern basis.

1. Accounting policies *(continued)*

Turnover

Turnover represents the value of work done for customers after adjusting for all foreseeable losses, and excluding value added tax. Turnover from the sale of software licenses is recognised from customer acceptance, over the term of the license. Under specific contractual arrangements there are a number of software licences that are recognised as perpetual. Turnover from software support and maintenance agreements is recognised proportionally over the period that the services are provided. Turnover from professional services (implementation, consultancy, project management and training) is recognised as the services are performed. On major projects extending over more than one accounting period, turnover is taken based on the stage of completion when the outcome of the contract can be seen with reasonable certainty. Payments received in advance are included in deferred income in creditors.

Intangible assets

Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Capitalised development costs 5-7 years

The company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that an intangible asset may be impaired.

Fixed assets

Tangible fixed assets are stated at cost less depreciation. Asset retirement obligations are capitalised at the expected present value of the obligation, with a corresponding liability being recognised in provisions, and are depreciated over the useful economic life of the related asset.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Improvements	-	33% reducing balance (on a monthly basis)
Computer Equipment	-	33% reducing balance (on a monthly basis)
Fixtures, Fittings & Equipment	-	33% reducing balance (on a monthly basis)
Office Equipment	-	33% reducing balance (on a monthly basis)

1. Accounting policies *(continued)*

Depreciation *(continued)*
Assets are depreciated on a 33% reducing balance basis for 3 years and then the remaining net book value of the asset is written off.

Operating lease agreements
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs
The company operates defined contribution schemes for directors and employees. Contributions payable to the company's stakeholder pension scheme are charged to the profit and loss account in the period to which they relate.

Foreign currencies
Costs expensed in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities are translated at rates of exchange ruling at the balance sheet date. Differences on the translation of such items are dealt with in the profit and loss account.

Financial instruments
Following the adoption of FRS 102.22, financial instruments issued by the Group are treated as equity only to the extent they meet the following two conditions:

a) They include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets of financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

b) Where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variance number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

The group currently has no equity financial instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own share, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1. Accounting policies *(continued)*

Financial instruments *(continued)*

Financial payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Financial payments associated with financial instruments that are classified as part of shareholders' funds are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Basic Financial Instruments

Trade and other debtors/creditors
Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at cost less any impairment losses in the case of trade debtors.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances only.

Current taxation
Tax is recognised in the profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred taxation
Deferred tax 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 a right to pay less or to receive more tax, with the following exceptions:

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.

Provisions
A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Significant Judgements and Estimates
In determining the carrying amounts of certain assets and liabilities, the Group makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The Group's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

	Year ended 30 Jun 17 £	Year ended 30 Jun 16 £
Rendering of services	**26,206,911**	21,252,595
An analysis of turnover is given below:		
United Kingdom	**25,432,762**	20,785,244
Overseas	**774,149**	467,351
	26,206,911	21,252,595

3. Operating profit

Operating profit is stated after charging/(crediting):

	Year ended 30 Jun 17 £	Year ended 30 Jun 16 £
Depreciation of owned fixed assets	**833,014**	464,080
Operating lease costs:		
- Other	**577,180**	614,702
Net profit on foreign currency translation	**(4,811)**	(2,971)

Other Income

Other income is an above the line RDEC credit, in line with new tax regulations, which is a 11% credit on qualifying R&D expenditure.

Auditor's fees

The fees charged by the auditor can be further analysed under the following headings for services rendered:

	Year ended 30 Jun 17 £	Year ended 30 Jun 16 £
Audit	**16,500**	16,550
	16,500	16,550

The audit fees in the current year relate to amounts paid to KPMG LLP.

4. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	Year ended 30 Jun 17 No	Year ended 30 Jun 16 No
Number of production staff	**141**	115
Number of administrative staff	**12**	12
Directors	**10**	8
	163	135

The aggregate payroll costs of the above were:

	Year ended 30 Jun 17 £	Year ended 30 Jun 16 £
Wages and salaries	**9,715,140**	6,886,159
Social security costs	**1,348,454**	1,015,067
Other pension costs	**639,008**	528,919
	11,702,602	8,430,145

5. Directors' remuneration

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

	Year ended 30 Jun 17 £	Year ended 30 Jun 16 £
Remuneration receivable	**1,472,931**	1,237,821
Value of company pension contributions to money purchase schemes	**53,530**	149,357
	1,526,461	1,387,178

Remuneration of highest paid director:

	Year ended 30 Jun 17 £	Year ended 30 Jun 16 £
Total remuneration (excluding pension contributions)	**312,302**	312,302
Value of company pension contributions to money purchase schemes	**-**	-
	312,302	312,302

The number of directors who accrued benefits under company pension schemes was as follows:

	Year ended 30 Jun 17 No	Year ended 30 Jun 16 No
Money purchase schemes	**4**	4

6. Taxation on ordinary activities

	Year ended 30 Jun 17 £	Year ended 30 Jun 16 £
Current tax		
UK corporation tax on profits for the period	**1,047,603**	692,147
Adjustment in respect of previous periods	**(55,792)**	(154,549)
Foreign tax relief/other relief	**(102,592)**	(62,004)
	889,219	475,594
Foreign tax suffered	**106,983**	81,067
Total current tax	**996,202**	556,661
Deferred tax		
Origination and reversal of timing differences	**472,412**	421,837
Adjustment in respect of previous periods	**(57,141)**	(2,326)
Effect of changes in tax rates	**(83,993)**	(42,750)
Total deferred tax	**331,278**	376,761
Total tax per income statement	**1,327,480**	933,422
The charge for the year can be reconciled to the profit loss per the income statement as follows:		
Profit for the period	**10,359,894**	8,927,145
Tax on loss at standard UK tax rate of 19.75% (2016: 20%)	**2,046,150**	1,785,429
Effects of:		
Expenses not deductible	**62,823**	39,735
Effects of group relief/other reliefs	**(581,256)**	(711,178)
Effects of overseas tax rates	**4,391**	19,063
Adjustment from previous periods	**(112,933)**	(156,875)
Tax rate changes	**(83,993)**	(42,752)
Income not taxable	**(7,702)**	-
Tax charge for the period	**1,327,480**	933,422

Reductions in the UK corporation tax rate from 20% to 19% (effective 1 April 2017) and to 18% (effective 1 April 2020) were enacted on 26 October 2015 and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 30 June 2017 has been calculated based on these rates.

7. Tangible fixed assets

	Leasehold Property £	Computer equipment £	Fixtures & Fittings £	Equipment £	Total £
Cost					
At 1 July 2016	**1,079,674**	**1,606,908**	**231,243**	**38,946**	**2,956,771**
Additions	76,226	288,299	15,420	2,652	382,597
At 30 June 2017	**1,155,900**	**1,895,207**	**246,663**	**41,598**	**3,339,368**
Depreciation					
At 1 July 2016	**397,899**	**1,052,358**	**116,909**	**33,834**	**1,601,000**
Charge for the year	387,096	333,919	109,370	2,629	833,014
At 30 June 2017	**784,995**	**1,386,277**	**226,279**	**36,463**	**2,434,014**
Net book value					
At 30 June 2017	**370,905**	**508,930**	**20,384**	**5,135**	**905,354**
At 30 June 2016	681,775	554,550	114,334	5,112	1,355,771

8. Intangible assets

	Development costs £
Cost	
At 1 July 2016	**1,987,368**
Additions	2,676,480
At 30 June 2017	**4,663,848**
Amortisation	
At 1 July 2016	-
Charge for the year	-
At 30 June 2016	-
Net book value	
At 30 June 2017	**4,663,848**
At 30 June 2016	1,987,368

Capitalised development costs are not treated as a realised loss for the purpose of determining the Company's distributable profits as the costs meet the conditions requiring them to be treated as an asset in accordance with FRS 102 Section 18.

9. Debtors

	2017 £	2016 £
Trade debtors	**4,491,366**	2,365,534
Amounts owed by group undertakings	**25,370,216**	22,718,278
Other debtors	**168,500**	131,794
Prepayments and accrued income	**3,794,269**	3,450,906
RDEC debtor	**286,103**	235,170
	34,110,454	28,901,682

10. Deferred taxation

The deferred tax included in the Balance sheet is as follows:

	Year ended 30 Jun 17 £	Year ended 30 Jun 16 £
Included in creditors (note 11)	**716,027**	384,748

The movement in the deferred taxation account during the year was:

	Year ended 30 Jun 17 £	Year ended 30 Jun 16 £
Balance brought forward	**384,748**	7,985
Adjustment in respect of prior years' credited to the income statement	**(57,141)**	(2,324)
Deferred tax charge to income statement for the period	**388,420**	379,087
Balance carried forward	**716,027**	384,748

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2017 £	2016 £
Fixed asset timing differences	**782,487**	411,748
Other timing differences	**(66,460)**	(27,000)
	716,027	384,748
Deferred tax (assets)		
Recoverable within 12 months	**(66,460)**	(27,000)
Deferred tax liabilities		
Payable within 12 months	**710,045**	359,886
Payable after 12 months	**72,442**	51,862
	782,487	411,748

11. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	**463,067**	302,650
Taxation and social security	**1,157,974**	979,842
Accruals and deferred income	**9,916,189**	7,293,131
Corporation tax payable	**140,430**	67,405
Deferred taxation (note 10)	**716,027**	384,748
	12,393,687	9,027,776

Included in creditors is £72,442 (2016: £51,862) relating to amounts due in more than one year.

12. Provisions for liabilities and charges

	2017 £	2016 £
Falling due within one year:		
Employee benefits		
Opening Balance	**116,473**	98,166
Movement in provision	**21,047**	33,624
Payments made	**-**	(15,317)
	137,520	116,473

The provision for employee benefits represents the future costs of providing an allowance of holiday to employees of the business. The total amount provided is expected to be utilised within 12 months of the balance date.

Falling due greater than one year:		
Dilapidations		
Opening Balance	**303,791**	292,107
Unwinding of discount on present value	**12,152**	11,684
	315,943	303,791

The dilapidation provision represents the present value of estimated future costs to restore the leased premises to its original state on expiry of the lease. The lease expires in June 2020.

13. Commitments under operating leases

At 30 June 2017 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings 2017 £	2016 £
Operating leases which expire:		
Within 1 year	**585,641**	582,505
Within 2 to 5 years	**1,140,926**	1,716,874
	1,726,567	2,299,379

14. Related party transactions

The company has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared for the parent company, Sequel Equityco Limited and are publicly available.

15. Share capital

Allotted, called up and fully paid:

	2017		2016	
	No	£	No	£
7,401 Ordinary shares of £0.01 each	**7,401**	**74**	7,401	74
2,471 Ordinary A shares of £0.01 each	**2,471**	**25**	2,471	25
	9,872	**99**	9,872	99

16. Pensions

Contributions payable by the company during the year amounted to £639,008 (2016: £528,920) and have been recognised in the profit and loss account.

17. Ultimate parent company

According to the register maintained by the company, a number of limited partnerships which are managed by Hg Pooled Management Limited ("HgCapital") (holding through a nominee company) held a significant interest in the ordinary shares of the company at 30 June 2017. The directors deem there not to be an ultimate controlling party as none of the limited partners in the limited partnerships managed by HgCapital has an ownership of more than 20% of the issued share capital of the company.