REGISTERED NUMBER: 06339553 (England and Wales)

Report of the Directors and

Financial Statements for the Year Ended 31 August 2016

for

Cognitive Group Limited

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Cognitive Group Limited

Company Information
for the Year Ended 31 August 2016

DIRECTORS:	J G Keen C J Turner
REGISTERED OFFICE:	The Euston Office One Euston Square 40 Melton Street London NW1 2FD
REGISTERED NUMBER:	06339553 (England and Wales)
ACCOUNTANTS:	Grunberg & Co Limited Chartered Accountants 10-14 Accommodation Road Golders Green London NW11 8ED

Report of the Directors for the Year Ended 31 August 2016

The directors present their report with the financial statements of the company for the year ended 31 August 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of recruitment consultancy.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 September 2015 to the date of this report.

J G Keen
C J Turner

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

J G Keen - Director

3 March 2017

Cognitive Group Limited (Registered number: 06339553)

Profit and Loss Account
for the Year Ended 31 August 2016

	Notes	2016 £	2015 £
TURNOVER		12,330,195	10,429,209
Cost of sales		9,855,968	8,093,963
GROSS PROFIT		2,474,227	2,335,246
Administrative expenses		1,713,025	1,675,132
OPERATING PROFIT	2	761,202	660,114
Interest receivable and similar income		352	-
		761,554	660,114
Interest payable and similar charges		-	813
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		761,554	659,301
Tax on profit on ordinary activities	3	151,461	145,456
PROFIT FOR THE FINANCIAL YEAR		610,093	513,845

The notes form part of these financial statements

Balance Sheet
31 August 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Tangible assets	5		12,686		9,023
Investments	6		1		1
			12,687		9,024
CURRENT ASSETS					
Debtors	7	1,795,017		1,508,096	
Cash at bank		717,309		804,516	
		2,512,326		2,312,612	
CREDITORS					
Amounts falling due within one year	8	1,386,961		1,300,410	
NET CURRENT ASSETS			1,125,365		1,012,202
TOTAL ASSETS LESS CURRENT LIABILITIES			1,138,052		1,021,226
CREDITORS					
Amounts falling due after more than one year	9		-		(50,000)
PROVISIONS FOR LIABILITIES	11		(2,537)		(1,804)
NET ASSETS			1,135,515		969,422
CAPITAL AND RESERVES					
Called up share capital	12		100		100
Profit and loss account	13		1,135,415		969,322
SHAREHOLDERS' FUNDS			1,135,515		969,422

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

continued...

Balance Sheet - continued
31 August 2016

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on 3 March 2017 and were signed on its behalf by:

J G Keen - Director

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover
Turnover represents net invoiced sales of services, excluding valued added tax. Turnover is recognised at the point services are made to customers.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on cost

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Depreciation - owned assets	4,837	4,109
Loss on disposal of fixed assets	-	1
Foreign exchange differences	(48,972)	20,858
Directors' remuneration and other benefits etc	22,250	15,972

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3. TAXATION

Analysis of the tax charge
The tax charge on the profit on ordinary activities for the year was as follows:

	2016	2015
	£	£
Current tax:		
UK corporation tax	150,728	145,878
Deferred tax	733	(422)
Tax on profit on ordinary activities	151,461	145,456

4. DIVIDENDS

	2016	2015
	£	£
'A' Ordinary shares of 0.001p each		
Interim	424,000	96,000
'B' Ordinary shares of 0.001p each		
Interim	20,000	22,291
	444,000	118,291

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Computer equipment	Totals
	£	£	£
COST			
At 1 September 2015	9,022	20,983	30,005
Additions	3,083	5,417	8,500
At 31 August 2016	12,105	26,400	38,505
DEPRECIATION			
At 1 September 2015	5,868	15,114	20,982
Charge for year	1,559	3,278	4,837
At 31 August 2016	7,427	18,392	25,819
NET BOOK VALUE			
At 31 August 2016	4,678	8,008	12,686
At 31 August 2015	3,154	5,869	9,023

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6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 September 2015 and 31 August 2016	1
NET BOOK VALUE	
At 31 August 2016	1
At 31 August 2015	1

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Cognitive Consulting Limited
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

	2016 £	2015 £
Aggregate capital and reserves	1	1

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	1,703,989	1,451,194
Prepayments and accrued income	51,816	31,195
Other debtors	39,212	25,707
	1,795,017	1,508,096

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	1,000,093	868,185
Corporation tax	150,728	145,920
Social security and other taxes	144,610	151,645
Other creditors	5,632	3,333
Director's current account	20,000	38,683
Accruals and deferred income	65,898	92,644
	1,386,961	1,300,410

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Directors' loan accounts	-	50,000

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10. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2016	2015
	£	£
Expiring:		
Within one year	86,326	76,014

11. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax	2,537	1,804

	Deferred tax
	£
Balance at 1 September 2015	1,804
Accelerated capital allowances	733
Balance at 31 August 2016	2,537

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
85,000	'A' Ordinary	0.001p	85	85
15,000	'B' Ordinary	0.001p	15	15
			100	100

13. RESERVES

	Profit and loss account
	£
At 1 September 2015	969,322
Profit for the year	610,093
Dividends	(444,000)
At 31 August 2016	1,135,415

14. RELATED PARTY DISCLOSURES

During the year, total dividends of £444,000 (2015 - £118,291) were paid to the directors .

During the year under review, on normal commercial terms, the company was charged consultancy fees of £106,545 (2015 - £126,790) from Four Hats Limited, a company in which C J Turner is a director and shareholder.

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15. ULTIMATE CONTROLLING PARTY

The company is controlled by J Keen by virtue of his shareholding in both this, and the preceding year.

16. SHARE-BASED PAYMENT TRANSACTIONS

During the period the company established a share option scheme.

Options have been granted to subscribe for 'B' Ordinary shares of the company as follows:

Scheme	Date of grant	Exercise Period	Subscription price per share	Number of options outstanding	
				2016	2015
			£		
Approved	9/05/2014	10 years	2.40	1,000	1,000
Approved	9/05/2014	10 years	2.40	1,250	1,250
Approved	9/05/2014	10 years	1.88	750	750
Approved	4/05/2016	10 years	10.00	2,000	-

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.