REGISTERED NUMBER: 06339553 (England and Wales)

Report of the Directors and

Financial Statements for the Year Ended 31 August 2017

for

Cognitive Group Limited

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Cognitive Group Limited

Company Information
for the Year Ended 31 August 2017

DIRECTORS:	J G Keen C J Turner
REGISTERED OFFICE:	Albert House 256-260 Old Street London EC1V 9DD
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 2017

The directors present their report with the financial statements of the company for the year ended 31 August 2017.

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 2016 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

16 February 2018

Cognitive Group Limited (Registered number: 06339553)

Statement of Comprehensive Income
for the Year Ended 31 August 2017

	Notes	2017 £	2016 £
TURNOVER		15,019,944	12,330,195
Cost of sales		12,073,939	9,855,968
GROSS PROFIT		2,946,005	2,474,227
Administrative expenses		2,548,142	1,713,025
OPERATING PROFIT	4	397,863	761,202
Interest receivable and similar income		12	352
PROFIT BEFORE TAXATION		397,875	761,554
Tax on profit		86,573	151,461
PROFIT FOR THE FINANCIAL YEAR		311,302	610,093
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		311,302	610,093

The notes form part of these financial statements

Statement of Financial Position
31 August 2017

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Tangible assets	5		31,169		12,686
Investments	6		1		1
			31,170		12,687
CURRENT ASSETS					
Debtors	7	2,397,248		1,795,017	
Cash at bank		573,392		717,309	
		2,970,640		2,512,326	
CREDITORS					
Amounts falling due within one year	8	1,759,266		1,386,961	
NET CURRENT ASSETS			1,211,374		1,125,365
TOTAL ASSETS LESS CURRENT LIABILITIES			1,242,544		1,138,052
PROVISIONS FOR LIABILITIES			5,922		2,537
NET ASSETS			1,236,622		1,135,515
CAPITAL AND RESERVES					
Called up share capital			100		100
Share options reserve	10		1,805		-
Retained earnings	10		1,234,717		1,135,415
SHAREHOLDERS' FUNDS			1,236,622		1,135,515

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2017 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

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Statement of Financial Position - continued
31 August 2017

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 16 February 2018 and were signed on its behalf by:

J G Keen - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the Year Ended 31 August 2017

	Called up share capital £	Retained earnings £	Share options reserve £	Total equity £
Balance at 1 September 2015	100	969,322	-	969,422
Changes in equity				
Dividends	-	(444,000)	-	(444,000)
Total comprehensive income	-	610,093	-	610,093
Balance at 31 August 2016	100	1,135,415	-	1,135,515
Changes in equity				
Dividends	-	(212,000)	-	(212,000)
Total comprehensive income	-	311,302	1,805	313,107
Balance at 31 August 2017	100	1,234,717	1,805	1,236,622

The notes form part of these financial statements

1. STATUTORY INFORMATION

Cognitive Group Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Investments in subsidiaries
Investments in subsidiary undertakings are recognised at cost.

Financial instruments
Debtors
Short term debtors are measured at transaction price, less any impairment.

Creditors
Short term creditors are measured at transaction price.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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2. ACCOUNTING POLICIES - continued

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position 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.

3. EMPLOYEES AND DIRECTORS

The average monthly number of employees during the year was 42 (2016 - 32) .

4. OPERATING PROFIT

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation - owned assets	7,348	4,837

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Computer equipment	Totals
	£	£	£
COST			
At 1 September 2016	12,105	26,400	38,505
Additions	8,648	17,183	25,831
At 31 August 2017	20,753	43,583	64,336
DEPRECIATION			
At 1 September 2016	7,427	18,392	25,819
Charge for year	1,892	5,456	7,348
At 31 August 2017	9,319	23,848	33,167
NET BOOK VALUE			
At 31 August 2017	11,434	19,735	31,169
At 31 August 2016	4,678	8,008	12,686

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6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 September 2016 and 31 August 2017	1
NET BOOK VALUE	
At 31 August 2017	1
At 31 August 2016	1

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	2,255,539	1,703,989
Prepayments and accrued income	79,309	51,816
Other debtors	62,400	39,212
	2,397,248	1,795,017

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	1,366,864	1,000,093
Corporation tax	83,188	150,728
Social security and other taxes	207,892	144,610
Other creditors	3,909	5,632
Director's current account	-	20,000
Accruals and deferred income	97,413	65,898
	1,759,266	1,386,961

9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017 £	2016 £
Within one year	296,728	86,326

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10. RESERVES

	Retained earnings £	Share options reserve £	Totals £
At 1 September 2016	1,135,415	-	1,135,415
Profit for the year	311,302		311,302
Dividends	(212,000)		(212,000)
Share option reserve	-	1,805	1,805
At 31 August 2017	1,234,717	1,805	1,236,522

Profit and loss account includes all current and prior period retained profits and loss, all of which, are distributable reserves.

Share options reserve is the fair value of the share options that were granted in the financial period.

11. 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:

Grant date	No of shares granted	Exercise price	Vesting period	Vesting conditions	Expired or exercised shares	Number of shares available at 31 August 2017
09 -May-14	750	1.88	10 years	Sale of business		750
09 -May-14	2,250	2.40	10 years	Sale of business	(1,000)	1,250
04 -May-16	2,000	10	10 years	Sale of business	(250)	1,750
22 -Sep-16	1,975	10	10 years	Sale of business	(325)	1,650
07 -Nov-16	500	10	10 years	Sale of business	(500)	-
14 -Nov-16	1,000	10	10 years	Sale of business	(250)	750

The above share options have been granted to six employees.

The expense recognised for share based payments during the year ended 31 August 2017 amounts to £1,805 (2016; Nil).This expense arises from equity-settled share based payments.

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12. FIRST YEAR ADOPTION

These are the first financial statements that comply with FRS 102 Section 1A small entities. The date of transition is 1 September 2015.
No material transitional adjustments were required in equity or profit and loss for the period.

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.