

BESPOKE CAREERS GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016



BESPOKE CAREERS GROUP LIMITED

COMPANY INFORMATION

Directors	L Urquhart-Turton J Bent J O'Sullivan L Constantine	(Appointed 21 February 2017)
Company number	7711021	
Registered office	58 St Johns Square London EC1V 4JG	
Auditor	Leigh Carr 12 Helmet Row London EC1V 3QJ	
Business address	58 St Johns Square London EC1V 4JG	

BESPOKE CAREERS GROUP LIMITED

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BESPOKE CAREERS GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2016

The directors present the strategic report for the year ended 30 June 2016.

Fair review of the business

Key performance indicators

The key financial performance indicators used by the Board to monitor the financial performance of the company and its results for 2015 are as follows:

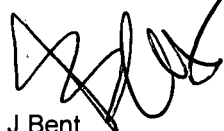
Turnover decreased from £12.9m to £12.7m, fall of 1.6%

Costs increased by 19% from £4.7m to £5.6m

Profit before tax decreased to £1.44m compared to profit before tax in 2015 of £2.21m

The Board also uses non financial performance indicators such as headcount to ensure staff levels remain at the optimum level to maximise performance.

On behalf of the board



J Bent

Director

31 March 2017

BESPOKE CAREERS GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2016

The directors present their annual report and financial statements for the year ended 30 June 2016.

Principal activities

The principal activity of the group was that of recruitment consultants and placement agency for architectural practices.

Directors

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

L Urquhart-Turton

J Bent

J O'Sullivan

L Constantine

(Appointed 21 February 2017)

Results and dividends

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

Ordinary dividends were paid amounting to £850,437. The directors do not recommend payment of a further dividend.

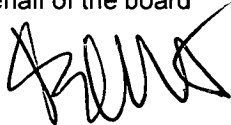
Auditor

In accordance with the company's articles, a resolution proposing that Leigh Carr be reappointed as auditor of the group will be put at a General Meeting.

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 auditor of the company and group 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 auditor of the company and group is aware of that information.

On behalf of the board



J Bent

Director

31 March 2017

BESPOKE CAREERS GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2016

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BESPOKE CAREERS GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BESPOKE CAREERS GROUP LIMITED

We have audited the financial statements of Bespoke Careers Group Limited for the year ended 30 June 2016 set out on pages 6 to 27. 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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are 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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; 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 group's and the parent company's affairs as at 30 June 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BESPOKE CAREERS GROUP LIMITED

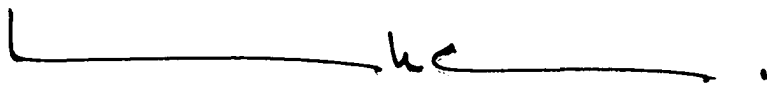
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BESPOKE CAREERS GROUP LIMITED

Matters on which we are required to report by exception

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Roy O'Gorman FCA (Senior Statutory Auditor)
for and on behalf of Leigh Carr

31 March 2017

Chartered Accountants
Statutory Auditor

12 Helmet Row
London
EC1V 3QJ

BESPOKE CAREERS GROUP LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 £	2015 £
Turnover	3	12,648,970	12,902,611
Cost of sales		(5,562,121)	(5,991,981)
Gross profit		7,086,849	6,910,630
Administrative expenses		(5,665,208)	(4,746,085)
Other operating income		3,850	-
Operating profit	4	1,425,491	2,164,545
Interest receivable and similar income	7	11,763	14,648
Interest payable and similar charges	8	-	34,425
Profit before taxation		1,437,254	2,213,618
Taxation	9	(473,666)	(603,863)
Profit for the financial year		963,588	1,609,755
Profit for the financial year is attributable to:			
- Owners of the parent company		671,047	1,315,650
- Non-controlling interests		292,541	294,105
		963,588	1,609,755

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

BESPOKE CAREERS GROUP LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2016

	2016 £	2015 £
Profit for the year	963,588	1,609,755
Other comprehensive income		
Currency translation differences	37,359	(133,263)
Total comprehensive income for the year	<u>1,000,947</u>	<u>1,476,492</u>
 Total comprehensive income for the year is attributable to:		
- Owners of the parent company	708,406	1,182,387
- Non-controlling interests	292,541	294,105
	<u>1,000,947</u>	<u>1,476,492</u>

BESPOKE CAREERS GROUP LIMITED

GROUP BALANCE SHEET

AS AT 30 JUNE 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Goodwill	11		2,418		4,837
Tangible assets	12		254,764		321,306
			<u>257,182</u>		<u>326,143</u>
Current assets					
Debtors	16	1,570,552		1,852,757	
Cash at bank and in hand		2,155,934		2,204,401	
		<u>3,726,486</u>		<u>4,057,158</u>	
Creditors: amounts falling due within one year	17	(1,340,285)		(1,904,898)	
Net current assets			<u>2,386,201</u>		<u>2,152,260</u>
Total assets less current liabilities			<u>2,643,383</u>		<u>2,478,403</u>
Provisions for liabilities	18		(24,570)		(34,552)
Net assets			<u><u>2,618,813</u></u>		<u><u>2,443,851</u></u>
Capital and reserves					
Called up share capital	20		100		100
Profit and loss reserves			2,332,261		2,201,502
Equity attributable to owners of the parent company			<u>2,332,361</u>		<u>2,201,602</u>
Non-controlling interests			<u>286,452</u>		<u>242,249</u>
			<u><u>2,618,813</u></u>		<u><u>2,443,851</u></u>

The financial statements were approved by the board of directors and authorised for issue on 31 March 2017 and are signed on its behalf by:



J Bent
Director

BESPOKE CAREERS GROUP LIMITED

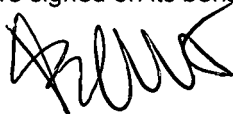
COMPANY BALANCE SHEET

AS AT 30 JUNE 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Investments	13		85,670		320,625
Current assets					
Debtors	16	686,222		180,659	
Cash at bank and in hand		46,929		-	
		<u>733,151</u>		<u>180,659</u>	
Creditors: amounts falling due within one year	17	<u>(2,624)</u>		<u>(2,300)</u>	
Net current assets			730,527		178,359
Total assets less current liabilities			<u>816,197</u>		<u>498,984</u>
Capital and reserves					
Called up share capital	20		100		100
Profit and loss reserves			816,097		498,884
Total equity			<u>816,197</u>		<u>498,984</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £905,213 (2015 - £2,019,826 profit).

The financial statements were approved by the board of directors and authorised for issue on 31 March 2017 and are signed on its behalf by:



J Bent
Director

Company Registration No. 7711021

BESPOKE CAREERS GROUP LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Share capital £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
Balance at 1 July 2014		100	2,595,115	2,595,215	174,841	2,770,056
Year ended 30 June 2015:						
Profit for the year		-	1,315,650	1,315,650	294,105	1,609,755
Other comprehensive income:						-
Currency translation differences		-	(133,263)	(133,263)	-	(133,263)
Total comprehensive income for the year		-	1,182,387	1,182,387	294,105	1,476,492
Dividends	10	-	(1,576,000)	(1,576,000)	(255,614)	(1,831,614)
Other movements		-	-	-	28,917	28,917
Balance at 30 June 2015		100	2,201,502	2,201,602	242,249	2,443,851
Year ended 30 June 2016:						
Profit for the year		-	671,047	671,047	292,541	963,588
Other comprehensive income:						
Currency translation differences on overseas subsidiaries		-	37,357	37,357	-	37,357
Total comprehensive income for the year		-	708,404	708,406	292,541	1,000,947
Dividends	10	-	(588,000)	(588,000)	(262,437)	(850,437)
Acquisition of non-controlling interests		-	10,355	10,355	(30,355)	(20,000)
Other movements		-	-	-	44,454	44,454
Balance at 30 June 2016		100	2,332,261	2,332,361	286,452	2,618,813

BESPOKE CAREERS GROUP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 July 2014		100	55,058	55,158
Year ended 30 June 2015:				
Profit and total comprehensive income for the year		-	2,019,826	2,019,826
Dividends	10	-	(1,576,000)	(1,576,000)
Balance at 30 June 2015		100	498,884	498,984
Year ended 30 June 2016:				
Profit and total comprehensive income for the year		-	905,213	905,213
Dividends	10	-	(588,000)	(588,000)
Balance at 30 June 2016		100	816,097	816,197

BESPOKE CAREERS GROUP LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from operations	22	1,316,992		3,100,155	
Income taxes paid		(536,806)		(683,955)	
Net cash inflow from operating activities		<u>780,186</u>		<u>2,416,200</u>	
Investing activities					
Purchase of intangible assets		(3)		-	
Purchase of tangible fixed assets		(48,910)		(325,142)	
Purchase of shares in subsidiary from non-controlling interest		(20,000)		-	
Interest received		<u>11,763</u>		<u>14,648</u>	
Net cash used in investing activities		(57,150)		(310,494)	
Financing activities					
Dividends paid to equity shareholders		(588,000)		(1,576,000)	
Dividends paid to non-controlling interests		<u>(262,437)</u>		<u>(255,614)</u>	
Net cash used in financing activities		(850,437)		(1,831,614)	
Net (decrease)/increase in cash and cash equivalents		(127,401)		274,092	
Cash and cash equivalents at beginning of year		2,204,401		2,033,905	
Effect of foreign exchange rates		<u>78,934</u>		<u>(103,596)</u>	
Cash and cash equivalents at end of year		<u><u>2,155,934</u></u>		<u><u>2,204,401</u></u>	

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

Company information

Bespoke Careers Group Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 58 St Johns Square, London, EC1V 4JG.

The group consists of Bespoke Careers Group Limited and all of its subsidiaries.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

The consolidated financial statements incorporate those of Bespoke Careers Group Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 June 2016. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Bespoke Career Management (Los Angeles) has been included in the group financial statements using the purchase method of accounting. Accordingly, the group profit and loss account and statement of cash flows include the results and cash flows of Bespoke Career Management (Los Angeles) for the period from its acquisition on 15 April 2016. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

The group profit and loss account and statement of cash flows also include the results and cash flows of Bespoke Career Management (Los Angeles) for the period from its incorporation on 15 April 2016.

The remaining non-controlling interest of Bespoke Career Management Limited (Hong Kong) was acquired by the group during the year.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

1.3 Going concern

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

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

1.5 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	Over the length of the lease
Computer equipment	25% straight line
Fixtures, fittings & equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 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.

1.10 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

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 group 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 group after deducting all of its 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.

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

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 group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the group 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 group.

1.12 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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 if, and only if, there is 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.

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 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.

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

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

3 Turnover and other revenue

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

	2016 £	2015 £
Turnover		
Recruitment consultants	12,648,970	12,902,611
	<u> </u>	<u> </u>
Other significant revenue		
Interest income	11,763	14,648
	<u> </u>	<u> </u>

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

3 Turnover and other revenue (Continued)

Turnover analysed by geographical market

	2016 £	2015 £
United Kingdom	6,305,843	7,107,549
Australia	5,522,047	4,801,899
Hong Kong	315,340	800,631
America	505,740	192,532
	<u>12,648,970</u>	<u>12,902,611</u>

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	11,072	(22,875)
Depreciation of owned tangible fixed assets	114,436	111,908
Loss on disposal of tangible fixed assets	3,893	-
Amortisation of intangible assets	2,422	2,419
Operating lease charges	246,976	164,746
	<u>378,799</u>	<u>152,198</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 group and company	2,825	2,300
Audit of the company's subsidiaries	9,784	9,433
	<u>12,609</u>	<u>11,733</u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

Group 2016 Number	2015 Number	Company 2016 Number	2015 Number
7	7	-	-
80	57	-	-
<u>87</u>	<u>64</u>	<u>-</u>	<u>-</u>

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

6 Employees

(Continued)

Their aggregate remuneration comprised:

	Group 2016 £	2015 £	Company 2016 £	2015 £
Wages and salaries	9,156,255	8,952,409	-	-
Social security costs	157,598	145,367	-	-
Pension costs	9,383	(250,659)	-	-
	<u>9,323,236</u>	<u>8,847,117</u>	<u>-</u>	<u>-</u>

7 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	11,763	14,648
	<u>11,763</u>	<u>14,648</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	11,763	14,648
	<u>11,763</u>	<u>14,648</u>

8 Interest payable and similar charges

	2016 £	2015 £
Interest on financial liabilities measured at amortised cost:		
Dividends on redeemable preference shares not classified as equity	-	(34,425)
	<u>-</u>	<u>(34,425)</u>

9 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	492,651	556,951
Adjustments in respect of prior periods	(9,003)	12,360
Total current tax	<u>483,648</u>	<u>569,311</u>
Deferred tax		
Origination and reversal of timing differences	(9,982)	34,552
	<u>(9,982)</u>	<u>34,552</u>
Total tax charge	<u>473,666</u>	<u>603,863</u>

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

9 Taxation

(Continued)

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

	2016 £	2015 £
Profit before taxation	1,437,254	2,213,618
Expected tax charge based on the standard rate of corporation tax in the UK of 29.66% (2015: 25.47%)	426,290	563,809
Tax effect of expenses that are not deductible in determining taxable profit	37,240	26,331
Permanent capital allowances in excess of depreciation	33,942	(20,829)
Under/(over) provided in prior years	(9,003)	-
Deferred tax	(14,803)	34,552
Tax expense for the year	473,666	603,863

10 Dividends

	2016 £	2015 £
Interim paid	588,000	1,576,000

11 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 July 2015	12,094
Additions - separately acquired	3
At 30 June 2016	12,097
Amortisation and impairment	
At 1 July 2015	7,257
Amortisation charged for the year	2,422
At 30 June 2016	9,679
Carrying amount	
At 30 June 2016	2,418
At 30 June 2015	4,837

The company had no intangible fixed assets at 30 June 2016 or 30 June 2015.

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

12 Tangible fixed assets

Group	Land and buildings Leasehold	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 July 2015	309,288	54,022	219,108	582,418
Additions	18,117	17,533	13,260	48,910
Disposals	(18,953)	(1,552)	(8,900)	(29,405)
Exchange adjustments	1,205	2,952	3,591	7,748
At 30 June 2016	309,657	72,955	227,059	609,671
Depreciation and impairment				
At 1 July 2015	62,040	37,018	162,054	261,112
Depreciation charged in the year	69,464	12,066	32,906	114,436
Eliminated in respect of disposals	(16,198)	(932)	(8,382)	(25,512)
Exchange adjustments	467	2,669	1,735	4,871
At 30 June 2016	115,773	50,821	188,313	354,907
Carrying amount				
At 30 June 2016	193,884	22,134	38,746	254,764
At 30 June 2015	247,248	17,004	57,054	321,306

The company had no tangible fixed assets at 30 June 2016 or 30 June 2015.

13 Fixed asset investments

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Investments in subsidiaries	14	-	-	85,670	320,625

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

13 Fixed asset investments

(Continued)

Movements in fixed asset investments Company

	Shares in group undertakings £
Cost or valuation	
At 1 July 2015	320,625
Additions	20,045
Disposals	(255,000)
At 30 June 2016	85,670
Carrying amount	
At 30 June 2016	85,670
At 30 June 2015	320,625

14 Subsidiaries

Details of the company's subsidiaries at 30 June 2016 are as follows:

Name of undertaking	Country of incorporation	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Bespoke Career Management Limited	England	Recruitment consultants	Ordinary	100.00	
Bespoke Career Management Pty Ltd	Australia	Recruitment consultants	Ordinary	60.00	
Bespoke Career Management (Melbourne) Pty Ltd	Australia	Recruitment consultants	Ordinary	60.00	
Bespoke Career Management Ltd	Hong Kong	Recruitment consultants	Ordinary	100.00	
Bespoke Career Management Inc	USA	Recruitment consultants	Ordinary	60.00	
Bespoke Career Management (Los Angeles)	USA	Recruitment consultants	Ordinary	60.00	

The investments in subsidiaries are all stated at cost.

On the 15 April 2016 the group acquired 60% of Bespoke Career Management (Los Angeles) on incorporation of the company.

During the year, the group also acquired the remaining non-controlling interest (40%) in Bespoke Career Management Ltd (Hong Kong) for £20,000. The acquisition has been dealt with through the profit and loss reserves.

The preference shares previously acquired in Bespoke Career Management Limited (London) were redeemed by the company during the year resulting in a disposal of part of the cost of the investment. Control was unaffected since the preference shares did not carry any voting rights.

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

15 Financial instruments

	Group 2016 £	2015 £	Company 2016 £	2015 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	1,443,701	1,613,858	686,222	180,659
Carrying amount of financial liabilities				
Measured at amortised cost	503,462	956,864	2,624	2,300

16 Debtors

	Group 2016 £	2015 £	Company 2016 £	2015 £
Amounts falling due within one year:				
Trade debtors	1,085,303	1,502,274	-	-
Corporation tax recoverable	-	168,062	-	-
Amounts due from subsidiary undertakings	-	-	686,222	180,659
Other debtors	74,719	111,584	-	-
Prepayments and accrued income	126,851	70,837	-	-
	1,286,873	1,852,757	686,222	180,659
Amounts falling due after more than one year:				
Other debtors	283,679	-	-	-
Total debtors	1,570,552	1,852,757	686,222	180,659

17 Creditors: amounts falling due within one year

	Group 2016 £	2015 £	Company 2016 £	2015 £
Trade creditors	260,750	184,309	-	-
Corporation tax payable	271,010	492,230	-	-
Other taxation and social security	565,813	455,804	-	-
Other creditors	74,008	377,993	-	-
Accruals and deferred income	168,704	394,562	2,624	2,300
	1,340,285	1,904,898	2,624	2,300

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2016 £	Liabilities 2015 £
Group		
Accelerated capital allowances	24,570	34,552

The company has no deferred tax assets or liabilities.

	Group 2016 £	Company 2016 £
Movements in the year:		
Liability at 1 July 2015	34,552	-
Charge to profit or loss	(9,982)	-
Liability at 30 June 2016	24,570	-

19 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	9,383	(250,659)

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

20 Share capital

	Group and company 2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of 10p each	100	100

BESPOKE CAREERS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

21 Operating lease commitments

Lessee

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

	Group 2016 £	2015 £	Company 2016 £	2015 £
Within one year	211,847	201,810	-	-
Between two and five years	634,693	549,243	-	-
In over five years	323,602	448,602	-	-
	<u>1,170,142</u>	<u>1,199,655</u>	<u>-</u>	<u>-</u>

22 Cash generated from group operations

	2016 £	2015 £
Profit for the year after tax	963,588	1,609,755
Adjustments for:		
Taxation charged	473,666	603,863
Finance costs	-	(34,425)
Investment income	(11,763)	(14,648)
Loss on disposal of tangible fixed assets	3,893	-
Amortisation and impairment of intangible assets	2,422	2,419
Depreciation and impairment of tangible fixed assets	114,436	111,908
Movements in working capital:		
Decrease in debtors	114,143	666,829
(Decrease)/increase in creditors	(343,393)	154,454
Cash generated from operations	<u>1,316,992</u>	<u>3,100,155</u>