REGISTRAR OF COMPANIES

Qatalyst Partners Limited

Directors' report and financial statements

for the year ended 31 December 2017

Registered number: 07844621

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Company Information

Directors	J DiLullo J Tardy-Joubert
Registered number	07844621
Registered office	14 Clifford Street London W1S 4JU
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

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Directors' report
for the year ended 31 December 2017

The directors present their Director's report with the Strategic report and the financial statements of Qatalyst Partners Limited ('the company') for the year ended 31 December 2017.

Results and dividends

The profit for the year, after taxation, amounted to £2,862,865 (2016 - £11,029,430).

During the year a dividend of £3,200,000 was paid (2016 - £9,900,000).

Directors

The directors who served during the year were:

J DiLullo
J Tardy-Joubert

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' report (continued)
for the year ended 31 December 2017

Disclosure of information to auditor

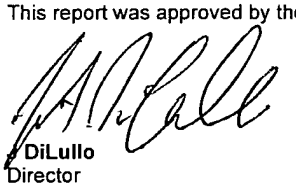
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the company since the year end.

This report was approved by the board on 24 April 2018 and signed on its behalf.



J DiLullo
Director

Strategic report
for the year ended 31 December 2017

The directors present the Strategic report of Qatalyst Partners Limited for the year ended 31 December 2017.

Principal activity

The principal activity of Qatalyst Partners Limited is to provide corporate finance, mergers and acquisitions and other advisory services.

Review of business and future developments

The directors are satisfied with the results for the year. The directors expect the company's sole parent to provide continued financial support, as needed.

Principal risks and uncertainties

The company is highly dependent on advisory revenues and technology mergers and acquisitions transactions, which is a cyclical business that can experience significant periods of low activity.

The company's exposure to credit risk in relation to financial assets is primarily represented by trade receivables as they arise during the ordinary course of business.

Financial key performance indicators

Given the nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

This report was approved by the board on 24 April 2018.



J DiLullo
Director

Buzzacott
CHARTERED ACCOUNTANTS

Independent auditor's report to the members of Qatalyst Partners Limited
for the year ended 31 December 2017

Opinion

We have audited the financial statements of Qatalyst Partners Limited (the 'company') for the year ended 31 December 2017, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to members where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditor's report to the members of Qatalyst Partners Limited (continued)
for the year ended 31 December 2017

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Buzzacott
CHARTERED ACCOUNTANTS

Independent auditor's report to the members of Qatalyst Partners Limited (continued)
for the year ended 31 December 2017

Auditors' responsibilities for the audit of the financial statements

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 an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Katherine White (Senior statutory auditor)
for and on behalf of
Buzzacott LLP
Statutory auditor
130 Wood Street
London
EC2V 6DL

24 April 2018

Statement of comprehensive income
for the year ended 31 December 2017

	Note	2017 £	2016 £
Revenue	4	**16,017,768**	27,607,403
Administrative expenses		**(12,471,111)**	(15,289,388)
Operating profit	5	**3,546,657**	12,318,015
Interest receivable and similar income	9	**6,728**	1,789
Profit before tax		**3,553,385**	12,319,804
Tax on profit	10	**(690,520)**	(1,290,374)
Profit for the financial year		**2,862,865**	11,029,430

All amounts relate to continuing operations.

There was no other comprehensive income for 2017 (2016 - £nil).

The notes on pages 11 to 23 form part of these financial statements.

Statement of financial position
as at 31 December 2017

	Note		2017 £		2016 £
Fixed assets					
Tangible assets	12		**33,711**		11,195
Current assets					
Debtors	13	**195,473**		182,802	
Cash at bank and in hand	14	**2,734,990**		2,894,799	
		2,930,463		3,077,601	
Creditors: amounts falling due within one year	15	**(327,243)**		(114,730)	
Net current assets			**2,603,220**		2,962,871
Total assets less current liabilities			**2,636,931**		2,974,066
Net assets			**2,636,931**		2,974,066
Capital and reserves					
Called up share capital	17		**2,550,639**		2,550,639
Profit and loss account	18		**86,292**		423,427
			2,636,931		2,974,066

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 April 2018.

J DiLullo
Director

The notes on pages 11 to 23 form part of these financial statements.

Statement of changes in equity
for the year ended 31 December 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	**1,190,639**	**(706,003)**	**484,636**
Comprehensive income for the year			
Profit for the year	-	**11,029,430**	**11,029,430**
Dividends: Equity capital	-	**(9,900,000)**	**(9,900,000)**
Shares issued during the year	**1,360,000**	-	**1,360,000**
At 1 January 2017	**2,550,639**	**423,427**	**2,974,066**
Comprehensive income for the year			
Profit for the year	-	**2,862,865**	**2,862,865**
Dividends: Equity capital	-	**(3,200,000)**	**(3,200,000)**
At 31 December 2017	**2,550,639**	**86,292**	**2,636,931**

The notes on pages 11 to 23 form part of these financial statements.

Statement of cash flows
for the year ended 31 December 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	**2,862,865**	11,029,430
Adjustments for:		
Depreciation of tangible assets	**12,966**	12,205
Interest received	**(6,728)**	(1,789)
Taxation charge	**690,520**	1,290,374
(Increase)/decrease in debtors	**(12,671)**	57,124
Decrease in amounts owed by group undertakings	**-**	20,813
Increase/(decrease) in creditors	**106,443**	(8,421)
Increase/(decrease)) in amounts owed to group undertakings	**165,796**	(191,711)
Corporation tax paid	**(750,246)**	(1,200,128)
Net cash generated from operating activities	**3,068,945**	11,007,897
Cash flows from investing activities		
Purchase of tangible fixed assets	**(35,482)**	(15,245)
Interest received	**6,728**	1,789
Net cash used in investing activities	**(28,754)**	(13,456)
Cash flows from financing activities		
Issue of ordinary shares	**-**	1,360,000
Dividends paid	**(3,200,000)**	(9,900,000)
Net cash used in financing activities	**(3,200,000)**	(8,540,000)
Net (decrease)/increase in cash and cash equivalents	**(159,809)**	2,454,441
Cash and cash equivalents at beginning of year	**2,894,799**	440,358
Cash and cash equivalents at the end of year	**2,734,990**	2,894,799
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**2,734,990**	2,894,799

The notes on pages 11 to 23 form part of these financial statements.

Notes to the financial statements
for the year ended 31 December 2017

1. General information

Qatalyst Partners Limited is a limited company incorporated in England and Wales. The address of its registered office and principal place of business are 14 Clifford Street, London, W1S 4JU.

The principal activity of the company is to provide corporate finance, mergers and acquisitions and other advisory services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, ('FRS 102') and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis as the company's parent undertaking, Qatalyst Group LP, has indicated its intention to provide continuing financial support to the company for at least twelve months from the date of approval of the financial statements.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Notes to the financial statements
for the year ended 31 December 2017

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- over 3 years
Office equipment	-
Computer equipment	- over 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the lease term.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors, creditors and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit or loss.

Notes to the financial statements
for the year ended 31 December 2017

2. Accounting policies (continued)

2.8 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Taxation

Tax is recognised in profit or loss, except that a charge 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 reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Notes to the financial statements
for the year ended 31 December 2017

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at a general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.13 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of financial position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Notes to the financial statements
for the year ended 31 December 2017

2. Accounting policies (continued)

2.14 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.15 Interest income

Interest income is recognised in the profit or loss using the effective interest method.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements or estimates have had the most significant effect on amounts recognised in the financial statements:

- Accrued income is recognised whereby revenue is earned in the period but not billed to ensure that revenue is recognised in the correct period. The balance in the financial statements at the reporting date is £nil (2016: £nil).
- Deferred tax (see note 10).
- Share-based payments (see note 25).

Notes to the financial statements
for the year ended 31 December 2017

4. Analysis of revenue

An analysis of revenue by class of business is as follows:

	2017 £	2016 £
Transaction fees	**15,857,233**	27,218,611
Advisory fees	**160,535**	77,192
Transfer pricing fees	**-**	311,600
	16,017,768	27,607,403

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	**15,932,233**	23,889,147
Rest of Europe	**85,535**	3,406,656
Rest of the world	**-**	311,600
	16,017,768	27,607,403

5. Operating profit

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

	2017 £	2016 £
Depreciation of tangible fixed assets	**12,966**	12,206
Exchange differences	**224,159**	(1,186,096)
Operating lease rentals	**165,633**	159,845
Defined contribution pension cost	**7,422**	6,900

6. Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	**14,300**	13,000
Other services	**24,618**	5,773
Audit related assurance services	**1,100**	1,000
	25,718	6,773

Notes to the financial statements
for the year ended 31 December 2017

7. Staff costs and average number of employees

Staff costs for the year, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	**6,915,069**	6,337,315
Social security costs	**773,995**	868,910
Cost of defined contribution pension scheme	**7,422**	6,900
	7,696,486	7,213,125

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Employees	**7**	7

8. Directors' remuneration

	2017 £	2016 £
Directors' remuneration	**5,318,762**	5,088,358

The highest paid director received remuneration of £3,992,516 (2016 - £4,423,850).

9. Interest receivable

	2017 £	2016 £
Other interest receivable	**6,728**	1,789

Notes to the financial statements
for the year ended 31 December 2017

10. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - lower than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	**3,553,385**	12,319,804
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	**683,905**	2,463,961
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**12,145**	8,227
Movement in deferred tax not recognised - losses utilised	**-**	(1,179,819)
Movement in deferred tax not recognised - other	**(5,530)**	(2,123)
Adjustments to tax charge in respect of prior periods	**-**	128
Total tax charge for the year	**690,520**	1,290,374

Factors that may affect future tax charges

During the accounting period, the UK corporation tax rate reduced to 19%. The UK government has introduced legislation to reduce the corporation tax rate to 17% from 1 April 2020.

11. Dividends

	2017 £	2016 £
Dividends paid on Ordinary shares	**3,200,000**	9,900,000

Notes to the financial statements
for the year ended 31 December 2017

12. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2017	**20,299**	**78,527**	**98,826**
Additions	**-**	**35,482**	**35,482**
At 31 December 2017	**20,299**	**114,009**	**134,308**
Depreciation			
At 1 January 2017	**20,299**	**67,332**	**87,631**
Charge for the year	**-**	**12,966**	**12,966**
At 31 December 2017	**20,299**	**80,298**	**100,597**
Net book value			
At 31 December 2017	**-**	**33,711**	**33,711**
At 31 December 2016	-	11,195	11,195

Notes to the financial statements
for the year ended 31 December 2017

13. Debtors

	2017 £	2016 £
Due after more than one year		
Other debtors	-	99,792
Due within one year		
Trade debtors	**624**	-
Other debtors	**152,842**	74,000
Prepayments and accrued income	**42,007**	9,010
	195,473	182,802

14. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	**2,734,990**	2,894,799

15. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	**115,927**	2,553
Amounts owed to group undertakings	**165,796**	-
Corporation tax	**30,520**	90,246
Taxation and social security	**-**	11,931
Accruals and deferred income	**15,000**	10,000
	327,243	114,730

Notes to the financial statements
for the year ended 31 December 2017

16. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	**2,734,990**	2,894,799
Financial assets that are debt instruments at amortised cost	**100,415**	99,792
	2,835,405	2,994,591
Financial liabilities		
Financial liabilities measured at amortised cost	**(296,723)**	(12,553)
	(296,723)	(12,553)

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise amounts owed by group undertakings, accrued income and other debtors (excluding VAT receivable).

Financial liabilities measured at amortised cost comprise trade creditors, amounts due to group undertakings, and other creditors (excluding VAT payable).

17. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
2,550,639 Ordinary shares of £1 each	**2,550,639**	2,550,639

18. Reserves

Profit and loss account

The profit and loss account includes all retained profits and losses.

19. Contingent liabilities

There were no contingent liabilities at 31 December 2017 or 31 December 2016.

20. Capital commitments

The company had no capital commitments at 31 December 2017 or 31 December 2016.

Notes to the financial statements
for the year ended 31 December 2017

21. Pension commitments

The company is operating a defined contribution scheme. During the year the company contributed £7,422 (2016 - £6,900). The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the entity to the fund.

Contributions totalling £nil (2016 - £nil) were payable to the fund at the reporting date.

22. Commitments under operating leases

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	**73,515**	166,320
Later than 1 year and not later than 5 years	**-**	73,515
	73,515	239,835

23. Related party transactions

The company has taken advantage of the disclosure exemptions as offered in paragraph 33.1A of FRS 102 to not disclose transactions with its 100% parent company Qatalyst Group LP.

Key management personnel compensation

Certain persons, including the directors during the year, who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total compensation in respect of these individuals was £5,318,762 (2016 - £5,088,358).

24. Controlling party

The company is under the control of Qatalyst Group LP, a Limited Partnership established in the United States of America.

The ultimate controlling party during the year was Qatalyst Management LLC , a Limited Liability Company incorporated in the United States of America.

The parent undertaking of the largest and smallest group of undertakings for which group financial statements are drawn up and of which the company is a member is Qatalyst Group LP. The registered office address of Qatalyst Group LP is One Maritime Plaza, 24th Floor, San Francisco, CA 94111, USA.

Notes to the financial statements
for the year ended 31 December 2017

25. Share based payments

Equity-settled share option plan

Certain employees have been granted options in the equity of the company's ultimate parent. Each employee is entitled to exercise the options 5 years after the date that the options are granted. If the options remain unexercised after 10 years from the date of grant, the options expire. The options are forfeited if the employee leaves the company before they become entitled to exercise the share options.

The weighted average fair value of options granted in the year was determined using the Black-Scholes option pricing model. The Black-Scholes model is considered to apply the most appropriate valuation method. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

During 2017, 10,000 (2016 - 50,000) options were granted, nil (2016 - 30,000) were forfeited and 20,000 (2016 - 30,000) were transferred in. A total of 70,000 options were outstanding at the reporting date (2016 - 40,000). The fair value of each of the options at the date of grant was estimated to be £nil and therefore no expense in relation to the grants has been recognised in profit or loss.