

**Company Registration No. 06424982 (England and Wales)**

**CONSOL PARTNERS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

THURSDAY



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# CONSOL PARTNERS LIMITED

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## **CONSOL PARTNERS LIMITED**

### **COMPANY INFORMATION**

**Directors**

M D Cohen  
G T Hubert  
J Whittall  
T Anderson  
S J Wreford  
J Chapman

**Company registration number**

06424982

**Registered office**

Old Church House  
Sandy Lane  
Crawley Down  
Crawley  
West Sussex  
RH10 4HS

**Independent Auditor**

Deloitte LLP  
Statutory Auditor  
Crawley  
United Kingdom

## **CONSOL PARTNERS LIMITED**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2017**

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

#### **Performance and financial position**

Revenue has increased in the year to £25.1m (2016 - £22.6m) an increase of 11%, the main driver being continued growth in contractor numbers. Gross profit has also increased by £458k (8.1%) to £6.1m compared to the previous year (2016 - £5.7m).

Operating profit has decreased by 52% in 2017 to £0.65m (2016 - £1.37m).

The company had net assets of £3.1m at the end of 2017 (2016 - £2.6m) which the Board consider to be an adequate financial position.

The Key Performance Indicators on page 5 highlights provides further information on performance.

#### **Principal risks and uncertainties**

##### *Market and Economy*

Recruitment is considered an industry sector which is prone to risks due to downturns in specific sectors or geographical territories. ConSol niche market expertise in high growth technology sectors minimises such risk as the world continues to embrace cost saving (Cloud) and disruptive technology (e-Commerce/Industry 4.0). Further, ConSol's geographic spread, with 1/3 of our customers in the UK and in Europe and 1/3 in USA hedges against specific location risk. In addition to this, the Company is also continuing to monitor the impact of the UK's vote to leave the European Union.

##### *Cash requirements*

Business forecasts identifying, in particular, liquidity requirements are produced regularly. These are reviewed by the management team to ensure that sufficient headroom exists within the overall facilities for at least the next 12 month period.

## CONSOL PARTNERS LIMITED

### STRATEGIC REPORT (continued)

#### FOR THE YEAR ENDED 31 DECEMBER 2017

##### Key performance indicators

Key performance indicators for the Company are factors that measure effectively the development, performance or position of the business of the company. KPIs relevant to this business are set out below.

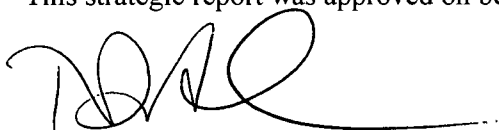
	2017	2016	Commentary
Gross Profit (GP)	£6,124,591	£5,666,421	Increase in contractor numbers has contributed to GP growth.
GP Growth	8.1%	11.3%	A change in the revenue split between permanent and contract revenue in favour of contract GP has resulted in the overall GP % decreasing slightly to 24%.
GP %	24%	25%	
Conversion ratio	11%	24%	Operating profit as a % of GP has decreased due to increased salary costs in the year, the other operating income not occurring in 2017 and a full year franchise fee charge by the ultimate parent company.
Total average headcount	69	59	Headcount has increased in the year.
Productivity per fee earner	£113,418	£128,782	The productivity has decreased due to investment in headcount growth.

##### Future developments

The business has a UK and mainland European focus in the supply of recruitment services to the technology sector. We will continue to appraise demand, and opportunities in each geography as a result of the UK vote to leave the European Union. The business is faced with continued legislative changes affecting the flexible employment practices operating within the technology sector. As a result of this, the company constantly reviews its internal processes to ensure strict adherence to any new legislation. Not only does this protect the business but it provides our existing customers with a degree of comfort and is one of our strengths as we tender for new business.

##### Approval

This strategic report was approved on behalf of the Board.



T Anderson  
Director

7 September 2018

# **CONSOL PARTNERS LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

The directors present the Annual financial statements and audited report for the year ended 31 December 2017.

ConSol Partners Limited (the "Company") is a private limited company limited by shares and is registered in England and Wales.

#### **Principal activity and future developments**

The principal activity of the company continued to be that of Resource Consultancy within the Communications, Cloud and Digital Technology sectors, enabling organisations to expand on a worldwide basis. Future developments have been discussed in the Strategic Report.

#### **Results and dividends**

The profit and loss account is set out on page 13 and shows the profit for the year.

The directors have not recommended a final ordinary dividend. Ordinary dividends of £Nil (2016: £315,625) were declared in the year.

#### **Directors**

The directors who served throughout the year and up to the date of signing these financial statements, except as noted, were as follows:

M D Cohen

G T Hubert

J Whittall

J Kreulen (Resigned 2 May 2018)

T Anderson (Appointed 2 May 2018)

S J Wreford

J Chapman

#### **Going concern**

The day to day operations are funded by cash generated from trading and from invoice discounting facilities. In considering the preparation of these financial statements on a going concern basis, the Board has reviewed the Company's profit and cash flow projections.

These projections suggest that the Company will meet its obligations as they fall due with the use of existing facilities. As such, the financial statements have been prepared on the going concern basis.

## **CONSOL PARTNERS LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2017**

##### **Financial risk management objectives and policies**

The Company's activities expose it to a number of financial risks including cash flow risk, credit risk and liquidity risk. The Company does not use derivative financial instruments for either hedging or speculative purposes.

##### **Market risk**

The company is principally exposed to fluctuations in the exchange rate between Sterling and the Euro and Sterling and the US dollar. Wherever possible this risk is managed by ensuring expenses related to the generation of these overseas revenues are in the same currency as the income. The company seeks to hedge this exposure through operating an invoice discounting facilities in Sterling, Euros and US Dollars and also forward exchange contracts in Euros.

The Company incurs interest on its invoice financing facility which is variable based on the base rate in the UK. The Company actively manages its levels of trade debtors in order to reduce the amount borrowed through this facility.

##### **Credit risk**

The Company's principal financial assets are bank balances and cash, trade and other receivables.

The Company's credit risk is primarily attributable to its trade receivables.

The Company actively manages this risk by monitoring, reviewing and chasing amounts due and obtaining credit checks. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

##### **Liquidity risk**

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses a combination of long-term and short-term debt finance including cash reserves from retained profit and invoice financing.

**CONSOL PARTNERS LIMITED**

**DIRECTORS' REPORT (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**Independent auditor and statement of provision of information to the independent auditor**

Deloitte LLP has indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Each of the persons who is a director at the date of approval of this report confirms that:

1) so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and

2) the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board:

A handwritten signature in black ink, appearing to be 'T Anderson', written over a horizontal line.

T Anderson  
**Director**

7 September 2018



## **CONSOL PARTNERS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; and
- 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **CONSOL PARTNERS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSOL PARTNERS LIMITED**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of Consol Partners Limited (the 'company'):

- 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 19.

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).

##### **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 UK, including the Financial Reporting Council's (the 'FRC'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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSOL PARTNERS LIMITED (continued)**

**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.

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 respect of these matters.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

**Auditor's 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **CONSOL PARTNERS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSOL PARTNERS LIMITED (continued)**

#### **Report on other legal and regulatory requirements**

##### **Opinions 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.

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 any material misstatements in the strategic report or the directors' report.

##### **Matters on which we are required to report by exception**

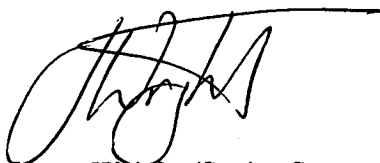
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

##### **Use of our report**

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.



**James Wright (Senior Statutory Auditor)**  
**for and on behalf of Deloitte LLP**  
**Statutory Auditor**  
**Crawley, United Kingdom**

*7 September* 2018

# CONSOL PARTNERS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
<b>Turnover</b>	<b>3</b>	25,108,472	22,570,323
Cost of sales		(18,983,881)	(16,903,902)
<b>Gross profit</b>		<u>6,124,591</u>	<u>5,666,421</u>
Administrative expenses		(5,470,794)	(4,494,355)
		<u>653,797</u>	<u>1,172,066</u>
Other operating income		-	201,748
<b>Operating profit</b>		<u>653,797</u>	<u>1,373,814</u>
Interest receivable and similar income	<b>4</b>	15,188	-
Interest payable and similar expenses	<b>5</b>	(28,493)	(28,069)
<b>Profit on ordinary activities before taxation</b>	<b>6</b>	<u>640,492</u>	<u>1,345,745</u>
Tax on profit on ordinary activities	<b>7</b>	(126,999)	(279,610)
<b>Profit for the year</b>		<u><u>513,493</u></u>	<u><u>1,066,135</u></u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations. There has been no other comprehensive income in either the current or prior years.

The notes on pages 16 to 25 form part of these financial statements.

# CONSOL PARTNERS LIMITED

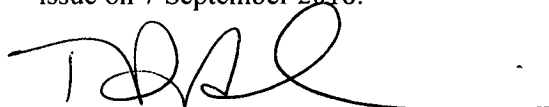
## BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	£	2017 £	£	2016 £
<b>Fixed assets</b>					
Tangible assets	9		89,533		28,473
<b>Current assets</b>					
Debtors	10	5,852,291		5,849,403	
Cash at bank and in hand		1,093,286		279,845	
		<u>6,945,577</u>		<u>6,129,248</u>	
<b>Creditors: amounts falling due within one year</b>	11	(3,913,768)		(3,557,739)	
<b>Net current assets</b>			3,031,809		2,571,509
<b>Total assets less current liabilities</b>			3,121,342		2,599,982
<b>Provision for liabilities</b>	12		(12,058)		(4,191)
<b>Net assets</b>			<u>3,109,284</u>		<u>2,595,791</u>
<b>Capital and reserves</b>					
Called up share capital	13		1,000		1,000
Profit and loss account			3,108,284		2,594,791
<b>Shareholders' funds</b>			<u>3,109,284</u>		<u>2,595,791</u>

The notes on pages 16 to 25 form part of these financial statements.

The financial statements of ConSol Partners Limited were approved by the Board and authorised for issue on 7 September 2018.



T Anderson  
Director

Company Registration No. 06424982 (England and Wales)

**CONSOL PARTNERS LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**AS AT 31 DECEMBER 2017**

	Notes	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
		£	£	£
<b>At 1 January 2016</b>		1,000	1,844,281	1,845,281
Profit and total comprehensive income for the year		-	1,066,135	1,066,135
Dividends paid on equity shares	<b>8</b>	-	(315,625)	(315,625)
<b>At 31 December 2016</b>		1,000	2,594,791	2,595,791
Profit and total comprehensive income for the year		-	513,493	513,493
<b>At 31 December 2017</b>		1,000	3,108,284	3,109,284

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**1 Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

**1.1 General information and basis of accounting**

ConSol Partners Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 3. The nature of the Company's operations and its principal activities are set out in the directors' report on page 6.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in these separate Company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel. The Company is consolidated in the financial statements of its parent, Empresaria Group plc, which may be obtained at Old Church House, Sandy Lane, Crawley Down, Crawley, West Sussex, RH10 4HS.

**1.2 Going concern**

The day to day operations are funded by cash generated from trading and from invoice discounting facilities. In considering the preparation of these financial statements on a going concern basis, the Board has reviewed the Company's profit and cash flow projections.

These projections suggest that the Company will meet its obligations as they fall due with the use of existing facilities. As such, the financial statements have been prepared on the going concern basis.



## CONSOL PARTNERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

#### 1 Accounting policies (continued)

##### 1.3 Turnover

Turnover represents amounts receivable for services provided in the normal course of business excluding value added tax.

Permanent placement turnover is recognised at the point when the candidate commences employment.

Contract placement turnover is recognised on the basis of actual work performed in the relevant year based on time sheets submitted.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings Leasehold	Straight line over the life of the lease
Computer equipment	Straight line over 3 years
Fixtures, fittings & equipment	Straight line over 3 years

##### 1.5 Leasing

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

##### 1.6 Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that are applicable at the balance sheet date.

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

## **CONSOL PARTNERS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **1.7 Financial Instruments**

Current debtors and creditors are measured at transaction price, less any impairment. Loans receivable and other financial liabilities, including amounts due from and to subsidiary undertakings, 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.

#### **1.8 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling, the Company's functional currency, at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### **1.9 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### **2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company'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.

No material items of judgement and uncertainty have been identified by management in relation to the preparation of these financial statements.

## CONSOL PARTNERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

#### 3 Turnover

In the year to 31 December 2017 – 68% (2016 - 56%) of the company's turnover was to markets outside the United Kingdom.

<b>4 Other interest receivable and similar income</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>

Bank interest	15,188	-
	<u>          </u>	<u>          </u>

<b>5 Interest payable and similar expenses</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>

On bank loans and overdrafts	28,493	28,069
	<u>          </u>	<u>          </u>

<b>6 Profit on ordinary activities before taxation</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>

Profit on ordinary activities before taxation is stated after charging:

Depreciation of tangible assets	34,537	35,117
Operating lease rentals	176,857	175,357
Fees payable to the Company's auditor for the audit of the Company's financial statements	17,025	18,500

**CONSOL PARTNERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>7 Tax on profit on ordinary activities</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
The tax charge comprises:		
<b>Current tax</b>		
UK corporation tax	119,132	283,470
<b>Total current tax</b>	<u>119,132</u>	<u>283,470</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	7,867	(3,860)
<b>Total tax on profit on ordinary activities</b>	<u>126,999</u>	<u>279,610</u>
The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:		
Profit on ordinary activities before tax	<u>640,492</u>	<u>1,345,745</u>
Tax on ordinary activities at standard UK corporation tax rate for the year of 19.25% (2016: 20.00%)	<u>123,295</u>	<u>269,149</u>
Effects of:		
Expenses not deductible for tax purposes	3,704	10,461
	<u>3,704</u>	<u>10,461</u>
<b>Total tax on profit on ordinary activities</b>	<u>126,999</u>	<u>279,610</u>

The standard rate of tax applied to reported profit on ordinary activities is 19.25% (2016: 20.00%).

The Finance (No 2) Act 2015, which provides for reductions in the main rate of corporation tax from 20% to 19% effective from 1 April 2017 and to 18% effective from 1 April 2020, was substantively enacted on 26 October 2015. Subsequently, the Finance Act 2016, which provides for a further reduction in the main rate of corporation tax to 17% effective from 1 April 2020, was substantively enacted on 6 September 2016. These rate reductions have been reflected in the calculation of deferred tax at the balance sheet date.

# CONSOL PARTNERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

### 8 Dividends

The company has declared and paid a dividend of £Nil during the year (2016: £315,625).

### 9 Tangible fixed assets

	Computer equipment	Office equipment	Furniture and fixtures	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2017	96,892	10,228	59,134	166,254
Additions	74,677	15,725	5,195	95,597
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	171,569	25,953	64,329	261,851
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 January 2017	74,528	9,567	53,686	137,781
Charge for the year	24,942	4,840	4,755	34,537
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	99,470	14,407	58,441	172,318
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 31 December 2017	72,099	11,546	5,888	89,533
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2016	22,364	661	5,448	28,473
	<hr/>	<hr/>	<hr/>	<hr/>

### 10 Debtors

	2017 £	2016 £
Trade debtors	3,211,051	2,581,694
Other debtors	58,801	150,537
Prepayments and accrued income	2,112,214	1,805,263
Other tax and social security	334,800	162,329
Amounts owed by group undertakings	135,425	1,149,580
	<hr/>	<hr/>
	5,852,291	5,849,403
	<hr/>	<hr/>

# **CONSOL PARTNERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)** **FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>11 Creditors: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade creditors	111,216	39,374
Amounts owed to parent and fellow subsidiary undertakings	85,598	248,160
Corporation tax	61,553	108,326
Other taxes and social security costs	155,919	117,290
Invoice finance creditor	1,705,750	1,329,173
Accruals and deferred income	1,687,806	1,613,053
Other creditors	105,926	102,363
	<u>3,913,768</u>	<u>3,557,739</u>

The invoice financing creditor is secured on the related trade debtors.

## **12 Provisions for liabilities**

	<b>Deferred tax liability</b>
	<b>£</b>
Balance at 1 January 2017	4,191
Profit and loss account	<u>7,867</u>
Balance at 31 December 2017	<u>12,058</u>

**The deferred tax liability is made up as follows:**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<u>12,058</u>	<u>4,191</u>

# CONSOL PARTNERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

### 13 Called up share capital and reserves

	2017	2016
	£	£
<b>Allotted, issued and fully paid</b>		
1,000 (2016: 1,000) Ordinary shares of £1 each	1,000	1,000

The shares have attached to them full voting rights, dividend and capital distribution rights (including on winding up).

The Company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

### 14 Contingent liabilities

The Company is part of a bank overdraft arrangement that operates across a number of subsidiaries of the ultimate parent company. This facility gives the Company greater access to readily available cash resources. Cross guarantees exists between the companies within this facility. The total amount owed by the group under this arrangement as at 31 December 2017 was £4,114,293 (2016: £879,327).

### 15 Financial commitments

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

	<b>Land and buildings</b>	
	2017	2016
	£	£
Within one year	102,758	214,325
Between two to five years	-	107,162
	<u>102,758</u>	<u>321,487</u>

# CONSOL PARTNERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

<b>16 Directors' remuneration</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	250,940	129,574

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for the highest paid director	125,940	95,043
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## 17 Employees

### Number of employees

The average monthly number of employees (including directors) during the year was:

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
Administration	15	15
Fee Earners	54	44
	69	59

Their aggregate remuneration comprised:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,679,423	3,168,149
Social security costs	465,913	373,704
Other pension costs	32,126	25,943
	4,177,462	3,567,796

## 18 Control

The ultimate parent company is Empresaria Group plc, a company registered in England and Wales.

The largest and smallest group of undertakings for which consolidated financial statements have been drawn up is that headed by Empresaria Group plc.

Empresaria Group plc prepares group financial statements and copies can be obtained from their registered office - Old Church House, Sandy Lane, Crawley Down, Crawley, West Sussex, RH10 4HS.



## CONSOL PARTNERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

#### 19 Related party relationships and transactions

During the year the company paid franchise fees to the ultimate parent company of £315,466 (2016: £34,881) and received interest income of £15,188 (2016: £nil). The amounts due from the ultimate parent company is £nil (2016: £1,100,000) and the amount due to the ultimate parent company is £60,778 (2016: £225,240).

During the year the company made purchases of £16,150 (2016: £nil) from Interactive Manpower Solutions Private Ltd. At the year end £1,900 (2016: £nil) was due to Interactive Manpower Solutions Private Ltd.

As at 31 December 2017 £135,425 (2016: £49,580) was due from ConSol Partners LLC, a fellow group undertaking.

As at 31 December 2017 £22,920 (2016: £22,920) was due to ConSol Partners (Holdings) Limited, the immediate parent company.

All companies are under common control.