Company Registration No. 03168371 (England and Wales)

EQUITA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

EQUITA LIMITED

COMPANY INFORMATION

Directors	N F Smith P L Sharpe S J S Mayall on behalf of Capita Corporate Director Limited
Secretary	Capita Group Secretary Limited
Company number	03168371
Registered office	42-44 Henry Street Northampton Northamptonshire NN1 4BZ
Auditor	KPMG LLP 15 Canada Square London E14 5GL
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Solicitors	Herbert Smith Freehills Exchange House Primrose Street London EC2A 2HS

EQUITA LIMITED

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EQUITA LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present the strategic report and financial statements for the year ended 31 December 2016.

Review of the business

The company is a wholly owned subsidiary of Capita plc and operates within the group's Strategic Services division.

The principal activity of the company continued to be that of the provision of specialised financial and business services to selected professional markets including local authorities, the legal profession and commercial property owners and managers. Such services include revenue management, debt recovery, certificated enforcement agents services, process services, parking enforcement and contract administration together with the supply of goods where appropriate. There have not been any significant changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

As shown in the company's profit and loss account on page 5, the company's turnover has increased from £26,113,256 to £28,180,733 over the prior year and operating profit has increased from £6,877,006 to £7,473,926 over the same period.

The balance sheet on page 6 of the financial statements shows the company's financial position at the year end. Net assets have increased from £16,965,383 to £22,911,914. Details of amounts owed by/to its parent company and fellow subsidiary undertakings are shown in notes 9 and 10 to the financial statements.

Key performance indicators used by Capita plc are operating margins, free cash flow, capital expenditure and return on capital employed. Capita plc and its subsidiaries manage their operations on a divisional basis and as a consequence, some of these indicators are monitored only at a divisional level. The performance of the Strategic Services division of Capita plc is discussed in the group's annual report which does not form part of this report.

Systems and procedures are in place to identify, assess and mitigate major business risks that could impact the company. Monitoring exposure to risk and uncertainty is an integral part of the company's structured management processes. The principal risks that the company faces are operational risk, contract pricing, competition, regulatory and legislative impacts, recruitment and retention of staff and maintenance of reputation and strong supplier and customer relationships.

Group's risks are discussed in the group's annual report which does not form part of this report.

On behalf of the board

S J S Mayall on behalf of Capita Corporate Director Limited
Director
28 September 2017

The directors present their annual report and financial statements for the year ended 31 December 2016.

Results and dividends

The results for the year are set out on page 5.

No interim or final ordinary dividends were paid during the year (2015: £1,200,000).

Directors

The following directors have held office since 1 January 2016:

N F Smith
P L Sharpe
S J S Mayall on behalf of Capita Corporate Director Limited

Auditors

KPMG LLP, having indicated its willingness to continue in office, will be deemed to be reappointed as auditor under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 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.

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, being information needed by the auditor in connection with preparing its report, of which the company's auditor is unaware. Having made enquiries of fellow Directors and the company's auditor, each Director has taken all the steps that he might reasonably be expected to take as a Director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Qualifying 3rd party indemnity provisions
The company has granted an indemnity to the directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provisions remains in force as the date of approving the directors' report.

On behalf of the board

S J S Mayall on behalf of Capita Corporate Director Limited
Director
28 September 2017

EQUITA LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EQUITA LIMITED

We have audited the financial statements of Equita Limited for the year ended 31 December 2016 set out on pages 5 to 21. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 2, 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 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 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 is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

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, 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.

R Brent

Robert Brent (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

28 SEPTEMBER 2017

EQUITA LIMITED

STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Turnover	2	28,180,733	26,113,256
Cost of sales		(16,172,769)	(15,760,394)
Gross profit		12,007,964	10,352,862
Administrative expenses		(4,534,038)	(3,475,856)
Operating profit	3	7,473,926	6,877,006
Tax on profit on ordinary activities	4	(1,527,395)	(1,429,748)
Profit and comprehensive income for the financial year		5,946,531	5,447,258

The statement of profit and loss and comprehensive income has been prepared on the basis that all operations are continuing operations.

EQUITA LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	2015 £
Fixed assets			
Intangible fixed assets	6	2,659,832	2,659,832
Tangible fixed assets	7	752,410	929,523
Investments	8	8	6
		3,412,250	3,589,361
Current assets			
Debtors	9	30,222,767	22,326,785
Cash at bank and in hand		3,251	-
		30,226,018	22,326,785
Creditors: amounts falling due within one year	10	(10,672,154)	(8,950,763)
Net current assets		19,553,864	13,376,022
Total assets less current liabilities		22,966,114	16,965,383
Provisions for liabilities	11	(54,200)	-
		22,911,914	16,965,383
Capital and reserves			
Called up share capital	12	5,557,568	5,557,568
Share premium account	12	3,664,445	3,664,445
Other reserves	12	300,190	300,190
Profit and loss account	12	13,389,711	7,443,180
Shareholders' funds		22,911,914	16,965,383

Approved by the Board and authorised for issue on 28 September 2017

S J S Mayall on behalf of Capita Corporate Director Limited
Director

Company Registration No. 03168371

EQUITA LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2015	5,557,568	3,664,445	300,190	3,195,922	12,718,125
Profit for the year	-	-	-	5,447,258	5,447,258
Total comprehensive income for the period	-	-	-	5,447,258	5,447,258
Dividends	-	-	-	(1,200,000)	(1,200,000)
Contribution in respect of share based payment charge	-	-	-	64,440	64,440
Settlement of share based payment charge by intercompany	-	-	-	(64,440)	(64,440)
At 31 December 2015	5,557,568	3,664,445	300,190	7,443,180	16,965,383
Profit for the year	-	-	-	5,946,531	5,946,531
Total comprehensive income for the period	-	-	-	5,946,531	5,946,531
Contribution in respect of share based payment charge	-	-	-	(11,568)	(11,568)
Settlement of share based payment charge by intercompany	-	-	-	11,568	11,568
At 31 December 2016	5,557,568	3,664,445	300,190	13,389,711	22,911,914

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost basis except where stated otherwise.

Equita Limited is a company incorporated and domiciled in the UK.

The company has sufficient financial resources together with long standing relationships with clients and suppliers. As a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.2 Compliance with accounting standards

These financial statements were prepared in accordance with Financial Reporting Standard 101 - Reduced Disclosure Framework (FRS 101).

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The company's ultimate parent undertaking, Capita plc, includes the company in its consolidated statements. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU (EU-IFRS) and are available to the public and may be obtained from 71 Victoria Street, London SW1H 0XA. In these financial statements, the company has applied the disclosure exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy;
- Disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of Capita plc include equivalent disclosures, the company has also taken the disclosure exemptions under FRS 101 available in respect of the following disclosure:

- Certain disclosures required by IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairments of Assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the company, in the current and prior periods including the comparative period reconciliation for goodwill; and
- Disclosures required by IFRS 7 Financial Instrument Disclosures.

1.3 Turnover

Turnover represents the value of services provided during the year net of value added tax. Credit is taken for levy fees, commissions and charges made to clients on the basis of services provided during the financial year. Turnover is recognised upon receipt of monies satisfying our clients' debts and on a proportion of work done. All of the turnover was earned in the United Kingdom and in respect of the company's principal activity.

1 Accounting policies **(Continued)**

1.4 Intangible assets

Capitalised software is valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful life, which is typically 3-5 years. In the case of capitalised software development costs, research expenditure is written off to the statement of profit and loss in the period in which it is incurred. Development expenditure is written off in the same way unless and until the company is satisfied as to the technical, commercial and financial viability of individual projects. In these cases, the development expenditure is capitalised and amortised over the period during which the company is expected to benefit.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	50 years
Leasehold improvement	over the period of the lease
Fixtures, fittings & equipment	4 - 5 years
Computer equipment	3 - 5 years

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less. Bank overdrafts are shown within current liabilities.

1 Accounting policies **(Continued)**

1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from the initial recognition of goodwill

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- in respect of taxable temporary differences associated with investments in subsidiaries, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised, except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

1 Accounting policies **(Continued)**

1.10 Pensions

The company maintains defined contribution pension schemes and for these schemes the company has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense in the statement of profit and loss for the year when they are due.

In addition, the company sponsors a number of defined benefit pension scheme which require contributions to be made to separate trustee-administered funds. The costs of providing benefits under these schemes are determined separately for each scheme using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of the defined benefit obligation) and is based on actuarial advice. Past service costs are recognised immediately in the statement of profit and loss, unless the changes are conditional on employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the average vesting period. The company receives pension contributions from the other group companies whose employees are members of the company's sponsored schemes, which are treated as a deduction in the defined benefit cost through the statement of profit and loss. Contributions to defined benefit schemes where the company is a participant but is not the sponsor are treated as defined contribution charges and recognised directly through the statement of profit and loss.

When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs the obligation and related plan assets are re-measured using current actuarial assumptions and the resultant gain or loss recognised in the statement of profit and loss during the period in which the settlement or curtailment occurs.

The interest cost element of the defined benefit pension charge represents a change in the present value of scheme obligations resulting from the passage of time and is determined by applying the discount rate to the opening present value of the benefit obligation taking into account material changes in the obligation during the year. The expected return on plan assets is based on applying the discount rate to the opening scheme assets.

Actuarial gains and losses are fully recognised in equity through the statement of other comprehensive income such that the balance sheet reflects the scheme's surplus or liability at the balance sheet date. Current and past service costs are charged to operating profit with the interest cost, net of expected return on assets in the plans, included within administrative expenses.

The liability on the balance sheet in respect of the defined benefit pension schemes the company sponsors comprises the total for each sponsored scheme, or group of schemes, of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less any past service cost not yet recognised and less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is restricted to the sum of any unrecognised past service costs and the present value of any amount the Group expects to recover by way of refunds from the plan or reductions in the future contributions.

1 Accounting policies **(Continued)**

1.11 Share-based payments

The company participates in various share option and sharesave schemes operated by Capita plc, the ultimate parent undertaking. Details of these schemes are contained in the group's annual report.

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined using an option pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions).

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions, the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense, attributable to the company, since the previous balance sheet date is recognised in the profit and loss account and settled with Capita plc, the ultimate parent undertaking.

In accordance with IFRS 2, share option awards of the ultimate parent company's equity instruments in respect of settling grants to employees of the company are disclosed as a charge to the profit and loss account and a credit to equity. The company's policy is to reimburse its ultimate parent company through the inter company account for charges that are made to it. Hence the credit to equity has been eliminated, rather reflecting a credit to inter-company which better describes the underlying nature of the transaction.

1.12 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is subsidiary undertaking of Capita plc, a company incorporated in England and Wales, and is included in the consolidated accounts of the company.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3	**Profit for the year**	**2016**	**2015**
		£	**£**
	Operating profit for the year is stated after charging:		
	Depreciation of property, plant and equipment	345,241	361,491
	Operating lease rentals - plant and machinery	337,306	365,624
	Operating lease rentals - other assets	34,969	113,110

Audit fees are borne by the ultimate parent undertaking, Capita plc. The audit fee for the current period was £11,000 (2015: £7,000). The company has taken advantage of the exemption provided by regulations 6(2)(b) of The Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 not to provide information in respect of fees for other (non-audit) services as this information is required to be given in the group accounts of the ultimate parent undertaking, which it is required to prepare in accordance with the Companies Act 2006.

4 Taxation

	2016 £	2015 £
Corporation tax		
Current year	1,540,526	1,448,433
Adjustments in respect of prior periods	3,245	(7,833)
	1,543,771	1,440,600
Deferred tax		
Origination and reversal of temporary differences	(15,528)	(10,412)
Adjustment in respect of prior periods	(848)	(440)
	(16,376)	(10,852)
Total tax charge	1,527,395	1,429,748

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2016 £	2015 £
Profit before taxation on continued operations	7,473,926	6,877,006
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2015 - 20.25%)	1,494,785	1,392,594
Taxation impact of factors affecting tax charge:		
Expenses not deductible in determining taxable profit	23,217	38,067
Adjustments in respect of deferred income tax of prior years	(848)	(440)
Adjustments in respect of current income tax of prior years	3,245	(7,833)
Impact of changes in statutory tax rates	6,996	7,360
Total adjustments	32,610	37,154
Total tax charge for the year	1,527,395	1,429,748

The UK corporation tax rate has decreased from 20% to 19% from 1 April 2017 with a further reduction to 17% from 1 April 2020. The deferred tax balance has been adjusted to reflect this change.

5 Dividends

	2016 £	2015 £
Ordinary shares		
Interim dividend paid	-	1,200,000

6 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 January 2016	8,866,115
Amortisation	
At 1 January 2016 & 31 December 2016	6,206,283
Net book value	
At 31 December 2016	2,659,832
At 31 December 2015	2,659,832

7 Tangible fixed assets

	Freehold land and buildings	Leasehold improvement	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2016	735,699	18,154	127,734	736,500	1,618,087
Additions	33,633	-	-	134,496	168,129
Disposals	-	-	(24,680)	(86,992)	(111,672)
Transfer	(14,982)	(18,154)	1	33,135	-
At 31 December 2016	754,350	-	103,055	817,139	1,674,544
Depreciation					
At 1 January 2016	292,378	10,908	48,683	336,595	688,564
Charge for the year	48,467	3,631	34,829	258,314	345,241
On disposal	-	-	(24,680)	(86,992)	(111,672)
Transfer	14,539	(14,539)	(1)	1	-
At 31 December 2016	355,384	-	58,831	507,918	922,133
Net book value					
At 31 December 2016	398,966	-	44,223	309,221	752,410
At 31 December 2015	443,321	7,246	79,051	399,905	929,523

8 Investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2016	6
Additions	2
At 31 December 2016	8
Provision for diminution in value	
At 1 January 2016 & At 31 December 2016	-
Net book value	
At 31 December 2016	8
At 31 December 2015	6

Holdings of ordinary share capital

Details of the company's subsidiaries at 31 December 2016 are as follows:

Company	Country of registration or incorporation	Ordinary shares held (%)	Nature of business
Equitable Holdings Limited*	England & Wales	100	Dormant
John Crilley Limited*	England & Wales	100	Dormant
Madagans Limited*	England & Wales	100	Dormant

* - Indirectly held and incorporated at Pavilion Building, Ellismuir Way, Tannochside Park, Uddingston, Glasgow, G71 5PW

9 Debtors

	2016 £	2015 £
Trade debtors	773,945	1,366,795
Other debtors	920,448	-
Amount due by parent and fellow subsidiary undertakings	23,589,478	15,729,470
Prepayments and accrued income	4,858,256	5,166,257
Deferred tax asset (see note 11)	80,640	64,263
	30,222,767	22,326,785

10 Creditors: amounts falling due within one year

	2016	2015
	£	£
Overdrafts	36,325	120,302
Trade creditors	219,695	229,594
Amount due to parent and fellow subsidiary undertakings	7,760,831	5,413,984
Corporation tax	1,302,859	1,440,600
Other taxes and social security	1,162,444	1,120,341
Accruals and deferred income	190,000	625,942
	10,672,154	8,950,763

11 Provisions

	£
At 1 January 2016	-
Additional provisions in the year	91,028
Utilisation of provision	(36,828)
At 31 December 2016	54,200

The company is required to perform repairs on leased properties prior to the properties being vacated at the end of their lease term. Dilapidation provisions for such costs are where a legal obligation is identified and the liability can be reasonably quantified. The provision is not expected to be utilised within the next year.

The deferred tax asset (included in debtors, note 9) is made up as follows:

	2016
	£
Balance at 1 January 2016	(64,263)
Profit and loss account	(16,377)
Balance at 31 December 2016	(80,640)

	2016	2015
	£	£
Accelerated capital allowances	(72,845)	(63,031)
Other temporary differences	(7,795)	(1,232)
	(80,640)	(64,263)

12 Capital and reserves	**2016**	**2015**
	£	**£**
Allotted, called up and fully paid		
5,557,568 Ordinary shares of £1 each	5,557,568	5,557,568

Share capital
The nominal proceeds on issue of the Company's equity share capital, comprising £1 ordinary shares.

Share premium
The amount paid to the company by shareholders, in cash or other consideration, over and above the nominal value of the shares issued to them.

Capital redemption
The company can redeem shares by repaying the market value to the shareholder whereupon the shares are cancelled. Redemption must be from distributable profits. The capital redemption reserve represents the nominal value of the shares redeemed.

Profit and loss account
Net profits kept to accumulate in the company after dividends are paid and retained in the business as working capital.

13 Pensions and other post-retirement benefit commitments

The company offers both defined benefit and defined contribution pension schemes.

Contributions in respect of defined contribution schemes payable by the company during the year amounted to £156,383 (2015: £183,531)

The company has current and former employees who are members of the Capita Pension and Life Assurance Scheme (the "Capita scheme"), a defined benefit scheme.

The most recent funding assessment of the Capita scheme which was carried out as at 31 March 2014 revealed an actuarial deficit. As a result of this, Capita plc entered into an agreement to make past service deficit recovery payments to the Capita scheme until the end of 2027. In addition, Capita plc agreed an average employer contribution rate of 13.8% (excluding employee contributions made as part of a salary sacrifice scheme).

The next scheduled scheme funding assessment will be carried out with an effective date of 31 March 2017.

For the purpose of the consolidated accounts of Capita plc, an independent qualified actuary projected the results of this valuation to 31 December 2016.

The pension charge for the defined benefit scheme for the year was £23,645 (2015: £25,680). The average employer contribution rate during 2015 across all Capita companies to defined benefit pension arrangements was approximately 28.5% pa (2015: 28.5%) of pensionable salaries including employee contributions made as part of a salary sacrifice scheme.

The major assumptions for the valuation at 31 December 2016 were as follows: rate of price inflation - RPI/CPI 3.25%/2.25% (2015: 3.0%/2.0%); rate of salary increase - 3.25% (2015 - 3.0%); rate of increase for pensions in payment - 3.15% (2015 - 2.9%); discount rate - 2.8% (2015 - 3.9%). The Capita scheme assets at fair value at 31 December 2016 were (i) equities/hedge funds/absolute returns/diversified growth funds - £520.4m (2015: £428.1m); (ii) bonds - £492.5m (2015: £308.7m); (iii) property - £70.4m (2015: £68.2m); (iv) insurance contracts - £51.2m (2015: £47.2m); (v) cash/other - (£96.5m) (2015: (£2.8m)), totalling £1,038m (2015: £849.4m). The actuarially assessed value of scheme liabilities at 31 December 2016 was £1,366.4m (2015: £1,017.7m) indicating that the Capita scheme had a net liability of £328.4m (2015: net liability of £168.3m). These figures are quoted gross of deferred tax. The full disclosure is available in the consolidated accounts of Capita plc.

14 Directors' remuneration

	2016	2015
	£	£
Remuneration for qualifying services	271,457	285,343
Company pension contributions to defined contribution schemes	35,588	35,062
	307,045	320,405

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2015 - 2).
The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 1 (2015 - 1).
The number of directors who exercised share options during the year was 2 (2015 - 2).

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

	2016	2015
Remuneration for qualifying services	145,695	161,249
Company pension contributions to defined contribution schemes	8,175	13,200

The highest paid director has exercised share options during the year.

15 Operating lease commitments

	Land and buildings		Other	
	2016	2015	2016	2015
	£	£	£	£
Within one year	-	43,542	205,693	316,987
Between two and five years	-	-	70,639	403,724
	-	43,542	276,332	720,711

16 Employees

The average monthly number of employees (including non-executive directors) were:

	2016 Number	2015 Number
Sales	12	11
Operations	160	165
Administration	24	25
	196	201

Their aggregate remuneration comprised:

Employment costs	2016 £	2015 £
Wages and salaries	5,917,695	6,250,631
Social security costs	567,556	621,575
Pension costs	180,028	183,531
Share based payments	(11,568)	64,440
	6,653,711	7,120,177

17 Controlling party

The company's immediate parent undertaking is Capita Holdings Limited, a company incorporated in England and Wales.

The company's ultimate parent undertaking is Capita plc, a company incorporated in England and Wales. The accounts of Capita plc are available from the registered office at 71 Victoria Street, London, SW1H 0XA.