Company Registration No. 03168371 (England and Wales)

EQUITA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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
Auditors	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 2014

The directors present the strategic report and financial statements for the year ended 31 December 2014.

Review of the business

The company is a wholly owned subsidiary of Capita plc and operates within the group's Local Government and Health & Property (formerly Customer Management & International) 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 £19,603,015 to £23,001,169 over the prior year and operating profit has increased from £4,459,344 to £5,855,315 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 £11,308,365 to £12,274,819. 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 Customer Management & International 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 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
30 September 2015

EQUITA LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and financial statements for the year ended 31 December 2014.

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

During the year, an interim ordinary dividend was paid amounting to £3,481,000 (2013: £3,300,000). No final dividend was paid during the year (2013: £nil).

Environment
Capita plc recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies, which are described in the group's annual report which does not form part of this report. Initiatives designed to minimise the company's impact on the environment include safe disposal of waste, recycling and reducing energy consumption.

Employees
Details of the number of employees and related costs can be found in note 19 to the financial statements.

Directors
The following directors have held office since 1 January 2014:

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

Auditor
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).

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;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Statement of disclosure to auditors

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 provision remains in force as at the date of approving the directors' report.

On behalf of the board

S J S Mayall on behalf of Capita Corporate Director Limited
Director
30 September 2015

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 2014 set out on pages 5 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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.

Peter Lomax

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

30/4/15

EQUITA LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Turnover	2	23,001,169	19,603,015
Cost of sales		(15,031,761)	(13,796,508)
Gross profit		7,969,408	5,806,507
Administrative expenses		(2,114,093)	(1,347,163)
Profit on ordinary activities before taxation	3	5,855,315	4,459,344
Tax on profit on ordinary activities	4	(1,407,861)	(1,189,534)
Profit for the year	14	4,447,454	3,269,810

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

There are no recognised gains and losses other than those passing through the profit and loss account.

EQUITA LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014 £	2013 £
Fixed assets			
Intangible assets	6	2,216,526	2,659,832
Tangible assets	7	937,163	806,805
Investments	8	8	8
		3,153,697	3,466,645
Current assets			
Debtors	9	14,119,706	11,012,251
Cash at bank and in hand		1,028,032	1,142,658
Client cash held at bank		1,578,740	-
		16,726,478	12,154,909
Creditors: amounts falling due within one year	10	(7,605,356)	(4,313,189)
Net current assets		9,121,122	7,841,720
Total assets less current liabilities		12,274,819	11,308,365
		12,274,819	11,308,365
Capital and reserves			
Called up share capital	13	5,557,568	5,557,568
Share premium account	14	3,664,445	3,664,445
Other reserves	14	300,190	300,190
Profit and loss account	14	2,752,616	1,786,162
Shareholders' funds	15	12,274,819	11,308,365

Approved by the Board and authorised for issue on 30 September 2015

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

Company Registration No. 03168371

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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.

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

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.

1.4 Goodwill

Goodwill arising on acquisitions prior to 31 December 1997 was set off directly against reserves. Goodwill previously eliminated against reserves was not reinstated on Implementation of FRS 10.

Positive goodwill arising on acquisitions since I January 1998 is capitalised, classified as an asset on the balance sheet and amortised on a straight-line basis over its useful economic life up to a presumed maximum of 20 years. It is reviewed for impairment at the end of the first full financial year following the acquisitions and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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
Computer equipment	3 - 5 years
Fixtures, fittings & equipment	4 - 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 any impairment.

1 Accounting policies **(Continued)**

1.8 Pensions

The company maintains a number of contracted-out defined contribution schemes and contributions are charged to the profit and loss account in the year in which they are due. These schemes are funded and the payment of contributions is made to separately administered trust funds. The assets of these schemes are held separately from the company. The company remits monthly pension contributions to Capita Business Services Limited, a fellow subsidiary undertaking, which pays the group liability centrally. Any unpaid contributions at the year end have been accrued in the accounts of that company.

The company also makes contributions to multi-employer defined benefit schemes operated by the group. However, the company is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent basis. Consequently, in accordance with FRS 17, the company accounts for contributions to the schemes as if they were defined contribution schemes.

1.9 Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, taxation, with the following exceptions:

- Provision is made for taxation on gains arising from the revaluation (and similar fair value adjustments) of fixed assets and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to taxation only where the replacement assets are sold;

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

- Deferred taxation assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred taxation is measured on an undiscounted basis at the taxation rates that are expected to apply in the periods in which timing differences reverse, based on taxation rates and laws enacted or substantively enacted at the balance sheet date.

1 Accounting policies **(Continued)**

1.10 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 FRS 20, 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.

1.11 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 a subsidiary undertaking of Capita plc, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

1.12 Related party transactions

The company has taken advantage of the exemption under FRS 8: Related Party Disclosures not to disclose transactions entered into between two or more members of Capita plc, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

1.13 Surplus properties

Following the adoption of FRS12 the company provides for its best estimate of future expenditure, net of sub-let income, associated with its surplus leasehold properties.

1.14 Financial instruments: disclosure and presentation

The company has taken advantage of the exemption allowed by paragraph 2D (a) of FRS 29 not to make these disclosures in its own financial statements as the publicly available consolidated financial statements of Capita plc include the required disclosures for the group.

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 Operating profit

	2014	2013
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	443,306	443,306
Depreciation of tangible assets	250,965	199,123
Operating lease rentals		
- Plant and machinery	367,449	333,880
- Other assets	36,133	74,745

Audit fees are borne by the ultimate parent undertaking, Capita plc. The audit fee for the current period was £5,000 (2013: £3,000). The company has taken advantage of the exemption provided by regulation 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	2014	2013
	£	£
Domestic current year tax		
U.K. corporation tax	1,403,251	1,174,074
Adjustment for prior years	3,906	(9,585)
Total current tax	1,407,157	1,164,489
Deferred tax		
Deferred tax charge/credit current year	3,463	18,089
Deferred tax adjustments arising in previous periods	(2,759)	6,956
	704	25,045
	1,407,861	1,189,534
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	5,855,315	4,459,344
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.50% (2013 - 23.25%)	1,258,893	1,036,797
Effects of:		
Non deductible expenses	148,081	147,358
Capital allowance in excess of depreciation	(384)	(7,633)
Other timing differences	(3,339)	(2,448)
Adjustments to previous periods	3,906	(9,585)
	148,264	127,692
Current tax charge for the year	1,407,157	1,164,489

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2014 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

5 Dividends	2014	2013
	£	£
Ordinary interim paid	3,481,000	3,300,000

6 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 January 2014 & at 31 December 2014	8,866,115
Amortisation	
At 1 January 2014	6,206,283
Charge for the year	443,306
At 31 December 2014	6,649,589
Net book value	
At 31 December 2014	2,216,526
At 31 December 2013	2,659,832

During a past reorganisation the trade and net assets of a subsidiary undertaking were acquired by the company.

7 Tangible fixed assets

	Freehold land and buildings	Leasehold improvement	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2014	618,852	21,983	540,213	117,080	1,298,128
Additions	-	66,136	315,187	-	381,323
Disposals	(52,457)	-	(38,134)	(17,370)	(107,961)
At 31 December 2014	566,395	88,119	817,266	99,710	1,571,490
Depreciation					
At 1 January 2014	283,198	6,413	149,624	52,088	491,323
On disposals	(52,457)	-	(38,134)	(17,370)	(107,961)
Charge for the year	10,723	17,005	191,281	31,956	250,965
At 31 December 2014	241,464	23,418	302,771	66,674	634,327
Net book value					
At 31 December 2014	324,931	64,701	514,495	33,036	937,163
At 31 December 2013	335,654	15,570	390,589	64,992	806,805

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2014 & at 31 December 2014	8
Net book value	
At 31 December 2014	8
At 31 December 2013	8

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%	Principal activity
Subsidiary undertakings				
Equitable Holdings Limited	England & Wales	Ordinary	100.00	Dormant
John Crilley Limited	England & Wales	Ordinary	100.00	Dormant
Madagans Limited	England & Wales	Ordinary	100.00	Dormant

9 Debtors

	2014 £	2013 £
Trade debtors	2,246,551	326,896
Amounts owed by parent and fellow subsidiary undertakings	8,061,451	8,846,919
Prepayments and accrued income	3,758,293	1,784,321
Deferred tax asset (see note 11)	53,411	54,115
	14,119,706	11,012,251

10 Creditors: amounts falling due within one year

	2014	2013
	£	£
Trade creditors	102,687	246,751
Amounts owed to parent and fellow subsidiary undertakings	2,559,908	1,416,168
Corporation tax	1,403,251	1,174,075
Other taxes and social security costs	1,011,056	643,041
Other creditors	181,711	227,282
Client money obligations	1,578,740	-
Accruals and deferred income	768,003	605,872
	7,605,356	4,313,189

11 Provisions for liabilities

Balance at 1 January 2014

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

	2014
	£
Balance at 1 January 2014	(54,115)
Profit and loss account	704
Balance at 31 December 2014	(53,411)

	2014	2013
	£	£
Decelerated capital allowances	(52,853)	(53,134)
Other timing differences	(558)	(981)
	(53,411)	(54,115)

12 Pension and other post-retirement benefit commitments

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

Contributions in respect of the defined contribution schemes payable by the company during the year amounted to £137,881 (2013: £109,155).

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 actuarially assessed 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 2014.

The pension charge for the defined benefit scheme for the year was £18,079 (2013: £17,492). The average employer contribution rate during 2014 across all Capita companies to final salary pension arrangements was approximately 21.0% pa (2013: 20.4%) of pensionable salaries including employee contributions made as part of a salary sacrifice scheme.

The major assumptions for the valuation at 31 December 2014 were as follows: rate of price inflation - RPI/CPI 3.0%/2.0% (2013: 3.3%/2.3%); rate of salary increase - 3.0% (2013 - 3.3%); rate of increase for pensions in payment - 2.9% (2013 - 3.2%); discount rate - 3.75% (2013 - 4.5%). The Capita scheme assets at fair value at 31 December 2014 were (i) equities/hedge funds/absolute returns/diversified growth funds - £428.6m (2013: £378.3m); (ii) bonds - £348.8m (2013: £216.6m); (iii) property/US High Yield - £61.7m (2013: £50.5m); (iv) insurance contracts - £nil (2013: £2.9m); (v) cash/other - £10.4m (2013: £27.9m), totalling £849.5m (2013: £676.2m). The actuarially assessed value of scheme liabilities at 31 December 2014 was £1,023.8m (2013: £764.3m) indicating that the Capita scheme had a net liability of £174.3m (2013: net liability of £88.1m). These figures are quoted gross of deferred tax. The full disclosure is available in the consolidated accounts of Capita plc.

The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent basis. In accordance with FRS 17, the company therefore accounts for contributions to the scheme as if it were a defined contribution scheme.

13 Share capital

	2014	2013
	£	£
Allotted, called up and fully paid		
5,557,568 Ordinary shares of £1 each	5,557,568	5,557,568

14 Statement of movements on reserves

	Share premium account	Other reserves (see below)	Profit and loss account
	£	£	£
Balance at 1 January 2014	3,664,445	300,190	1,786,162
Profit for the year	-	-	4,447,454
Dividends paid	-	-	(3,481,000)
Balance at 31 December 2014	3,664,445	300,190	2,752,616

Other reserves

Capital redemption reserve

Balance at 1 January 2014 & at 31 December 2014	300,190

15 Reconciliation of movements in shareholders' funds

	2014	2013
	£	£
Profit for the financial year	4,447,454	3,269,810
Dividends	(3,481,000)	(3,300,000)
Contribution in respect of share based payment charge	62,456	44,212
Settlement of share based payment charge by intercompany	(62,456)	(44,212)
Net addition to/(depletion in) shareholders' funds	966,454	(30,190)
Opening shareholders' funds	11,308,365	11,338,555
Closing shareholders' funds	12,274,819	11,308,365

16 Contingent liabilities

The company has provided in the normal course of its business performance bonds and bank guarantees of £1,045,000 (2013: £1,485,000). These are guaranteed by the company's ultimate parent Capita plc.

17 Financial commitments

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Land and buildings		Other	
	2014	**2013**	**2014**	**2013**
	£	**£**	**£**	**£**
Operating leases which expire:				
Within one year	46,587	7,090	1,595	155,552
Between two and five years	38,586	38,586	158,963	82,453
	85,173	45,676	160,558	238,005

18 Directors' remuneration

	2014	**2013**
	£	**£**
Remuneration for qualifying services	328,160	339,203
Company pension contributions to defined contribution schemes	29,719	29,077
	357,879	368,280

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2013 - 1).
The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 1 (2013 - 1).
The number of directors who exercised share options during the year was 2 (2013 - 2).

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

Remuneration for qualifying services	181,910	195,658
Company pension contributions to defined contribution schemes	12,402	12,100

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

19 Employees

Number of employees

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

	2014 Number	2013 Number
Sales	8	7
Operations	153	147
Administration	31	37
	192	191

Employment costs	2014 £	2013 £
Wages and salaries	5,768,660	5,262,130
Social security costs	584,981	550,597
Other pension costs	155,960	141,065
Share based payments	62,456	44,212
	6,572,057	5,998,004

20 Clients' balances

At 31 December 2014 cash of £1,578,740 (2013: £835,832) held in clients' accounts. These client accounts relate to cash held on behalf of Equita's clients and do not represent the assets of the company. The amounts held in these accounts are at least equal to the clients entitlements with Equita.

21 Control

The immediate parent company is Capita Holdings Limited, a company registered in England and Wales.

The ultimate parent company is Capita plc, a company registered in England and Wales. Capita plc prepares group financial statements and copies can be obtained from 71 Victoria Street, Westminster, London SW1H 0XA.