

**Company Registration No. 2230107**

**BESSEMER GROUP (U.K.) LIMITED**

**Report and Financial Statements  
for the year ended 31 December 2016**

WEDNESDAY



\*L6HCF4NV\*

LD2

18/10/2017

#4

COMPANIES HOUSE

**Bessemer Group (U.K.) Limited**

**Report and financial statements 2016**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>3</b>
<b>Directors' report</b>	<b>4</b>
<b>Statement of directors' responsibilities</b>	<b>6</b>
<b>Independent auditor's report</b>	<b>7</b>
<b>Profit and loss account</b>	<b>9</b>
<b>Balance sheet</b>	<b>10</b>
<b>Statement of Changes in Equity</b>	<b>11</b>
<b>Cash flow statement</b>	<b>11</b>
<b>Notes to the accounts</b>	<b>12 - 17</b>

**Bessemer Group (U.K.) Limited**

**REPORT AND FINANCIAL STATEMENTS 2016**

**OFFICERS AND PROFESSIONAL ADVISERS**

**Directors**

Marc D. Stern - Chairman  
John G. MacDonald  
William J. Tyne  
Steven L. Williamson

**Secretary**

Christopher J. Judge

**Registered Office**

9 South Street  
London W1K 2XA

**Auditor**

Deloitte LLP  
2 New Street Square  
Chartered Accountants  
London EC4A 3BZ

**Bankers**

Coutts & Co.  
440 Strand  
London WC2R 0QS

**Solicitors**

Taylor Wessing  
5 New Street Square  
London EC4A 3TW

## **Bessemer Group (U.K.) Limited**

### **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2016. The directors' report has been prepared in accordance with the provisions applicable to companies entitled to small company exemptions under section 419(2) of the Companies Act 2006. In accordance with the small companies exemption no strategic report has been prepared.

#### **Principal Activity and Business Review**

Bessemer Group (U.K.) Limited ("the company") is a wholly-owned subsidiary of The Bessemer Group, Incorporated, a US bank holding company. The company is regulated by the Financial Conduct Authority in the United Kingdom.

The company's principal activity is the provision of investment research and advisory services to US-based affiliated companies. These affiliates have given no indication that they intend to change the current arrangements and so the business is expected to continue along these lines for the foreseeable future. However, this is a risk to the company as its affiliates are its sole clients.

Administrative expenses fell by 3% in the year as a result of lower compensation expenses. Turnover was also 3% lower than 2015 at £3,748,132, (2015: £3,880,807). Operating profit of £66,013 was £9,459 lower than in 2015 (2015: £75,472), mainly as a result of increased costs.

Net current assets increased by £71,725 in the year, (2015: £9,019 decrease).

The profit after tax for the year ended 31 December 2016 was £48,777, (2015: £53,501). No interim dividend was declared (2015: £132,406), no final dividend (2015: £nil) is to be declared.

#### **Financial risks and management**

The company has adopted risk management policies that seek to mitigate the relevant financial risks in a cost-effective manner. Financial assets that expose the company to financial risk consist principally of cash at bank and amounts owed by related parties. Financial liabilities that expose the company to financial risk consist principally of amounts owed to related parties. The financial risks associated with these financial instruments are minimal.

##### ***Liquidity risk***

The company is self-financing. In the event that a liquidity concern was to arise, the directors expect that the parent would advance the funds needed. The amounts would be repaid once the company is in a sound financial position.

##### ***Credit risk***

Cash at bank is held with creditworthy institutions while the company's debtors consist of amounts owed by related parties.

##### ***Interest rate risk***

The company has no financial liabilities that are interest bearing and therefore is not exposed to interest rate risk.

##### ***Going concern***

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 report and financial statements. More information is given in note 1.

**Bessemer Group (U.K.) Limited**

**Directors' report (continued)**

**Directors**

The following were directors of the company during the year ended 31 December 2016 and up to the date of this report:

Marc D. Stern  
John G. MacDonald  
William J. Tyne  
Steven L. Williamson

**Independent Auditor**

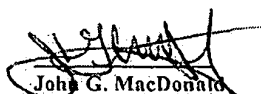
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself 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 (2) of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as independent auditor and a resolution to re-appoint them will be proposed at a forthcoming Board of Directors Meeting.

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

  
John G. MacDonald  
Director

24 April 2017

## **Bessemer Group (U.K.) Limited**

### **Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BESSEMER GROUP (U.K.) LIMITED**

We have audited the financial statements of Bessemer Group (U.K.) Limited for the year ended 31 December 2016 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the 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, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 Directors' Report.

## INDEPENDENT AUDITOR'S REPORT (Continued)

### 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Theo Brennand ACA (Senior statutory auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

24 April 2017



# Bessemer Group (U.K.) Limited

## Profit and loss account for the year ended 31 December 2016

	Note	2016 £	2015 £
Turnover	3.	3,748,132	3,880,807
Administrative expenses		<u>(3,682,120)</u>	<u>(3,805,335)</u>
Operating profit		66,013	75,472
Interest receivable		<u>1,041</u>	<u>987</u>
Profit on ordinary activities before taxation	4.	67,053	76,459
Tax on profit on ordinary activities	6.	<u>(18,276)</u>	<u>(22,958)</u>
Profit for the financial year		<u><u>48,777</u></u>	<u><u>53,501</u></u>

All results derive from continuing operations.

The notes on pages 12 to 17 form an integral part of these financial statements.

The company has no recognised gains or losses other than those included in the profit and loss account. Accordingly, no statement of other comprehensive income has been presented.

**Bessemer Group (U.K.) Limited**  
**Company Registration No. 2230107**

**Balance sheet**  
**as at 31 December 2016**

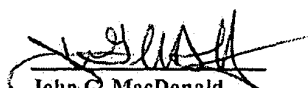
	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible fixed assets	7	279,715	302,661
<b>Current assets</b>			
Debtors	8	615,572	1,131,935
Cash at bank and in hand		1,216,009	1,102,107
		<u>1,831,581</u>	<u>2,234,042</u>
<b>Creditors: amounts falling due within one year</b>	9	1,332,690	1,806,875
		<u>1,332,690</u>	<u>1,806,875</u>
<b>Net current assets</b>		<u>498,891</u>	<u>427,166</u>
<b>Net assets</b>		<u>778,605</u>	<u>729,828</u>
<b>Capital and reserves</b>			
Called up share capital	10	250,000	250,000
Profit and loss reserve		528,605	479,828
<b>Shareholders' funds</b>		<u>778,605</u>	<u>729,828</u>

The notes on pages 12 to 17 form an integral part of these financial statements.

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements of Bessemer Group (U.K.) Limited were approved by the Board of Directors and authorised for issue on 24 April 2017.

Signed on behalf of the Board:

  
**John C. MacDonald**  
**Director**

**Bessemer Group (U.K.) Limited**

**Statement of Changes in Equity  
for the year ended 31 December 2016**

	<b>Called up share capital £</b>	<b>Profit &amp; loss reserve £</b>	<b>Total £</b>
At 31 December 2014 as previously stated	250,000	558,733	808,733
Profit for the year	-	53,501	53,501
Dividend paid to parent	-	(132,406)	(132,406)
At 31 December 2015	250,000	479,828	729,828
Profit for the year	-	48,777	48,777
At 31 December 2016	<u>250,000</u>	<u>528,605</u>	<u>778,605</u>

**Cash flow statement  
for the year ended 31 December 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
Net cash flows from operating activities	11	161,953	401,055
Cash flows from investing activities			
Purchase of tangible fixed assets	7	(49,002)	(2,160)
Net interest received		1,041	987
Net cash flows used in investing activities		<u>(47,961)</u>	<u>(1,173)</u>
Cash flows from financing activities			
Dividend paid to parent		-	(132,406)
Net cash flows used in financing activities		<u>-</u>	<u>(132,406)</u>
Increase in cash and cash equivalents in the year		<u>113,992</u>	<u>267,476</u>
Cash and cash equivalents at beginning of year		1,102,017	834,541
Cash and cash equivalents at end of year		<u>1,216,009</u>	<u>1,102,017</u>
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand at year end		<u>1,216,009</u>	<u>1,102,107</u>

The notes on pages 11 to 16 form an integral part of these financial statements.

## **Bessemer Group (U.K.) Limited**

### **Notes to the accounts**

**Year ended 31 December 2016**

#### **1. Accounting policies**

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

##### **a.) General information and basis of accounting**

Bessemer Group (U.K.) Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is 9 South St, London W1K 2XA. The nature of the company's operations and its principal activities are set out in the director's report on page 3.

The Company is a private Company limited by shares and is registered in England.

The financial statements have been prepared under the historical cost convention and 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.

##### **b.) Going Concern**

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 3. The Business Review also describes the financial position of the company, its cash flows and liquidity position together with policies and processes for managing its capital; its financial risk management objectives and details of its exposures to credit, liquidity and interest rate risk.

The company has agreements with affiliated group companies in the United States to provide research and advisory services and as a consequence, the directors believe that the company is well placed to manage its business risks successfully.

After making all reasonable enquiries and having respect to the nature of the company and its activities, the directors are satisfied based on the information available to them at the present time, which includes forecasts of future performance, that it is appropriate to adopt the going concern basis in preparing the financial statements and, after due consideration, the directors consider that the company is able to continue in the foreseeable future.

##### **c.) Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided to write off the cost of tangible fixed assets in equal instalments over the estimated useful economic lives of the assets. The estimated useful economic lives are as follows:

- Furniture, fixtures, fittings and equipment - 3 to 10 years
- Leasehold improvements - period of the lease

The fine art owned by the company is not depreciated as these items have very long useful economic lives, which would make a periodic depreciation charge immaterial. The fine art is included within furniture, fixtures, fittings and equipment.

## **Bessemer Group (U.K.) Limited**

### **Notes to the accounts**

**Year ended 31 December 2016**

#### **1. Accounting policies (continued)**

##### **d.) Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

##### **e.) Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

##### **Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

##### **f.) Turnover**

Turnover comprises fees from investment research and advisory services accounted for on an accruals basis. Investment research and advisory fees are recognised as the services are performed and charged on a cost-plus basis.

##### **g.) Retirement benefits**

The company operates a defined contribution benefit scheme for all qualifying employees. The assets of the scheme are held in separate accounts in the name of individual employees and are under the control of the employee. The company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the company with respect to the retirement benefit scheme is to make the specified contributions. Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

##### **h.) Foreign currencies**

Transactions in foreign currencies are recorded at the rates ruling for sterling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All exchange differences are reflected in the profit and loss account for the period in which they arise.

## Bessemer Group (U.K.) Limited

### Notes to the accounts

Year ended 31 December 2016

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

In the application of the Group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### 3. Turnover

The company provides investment research and advisory services to US-based affiliated companies.

	2016	2015
	£	£
Fees from investment research and related services	3,748,132	3,880,807
	<u>3,748,132</u>	<u>3,880,807</u>

The provisions of Accounting Regulation (Acc Regs) Sch 1: 68 have not been applied due to all business being attributed to only one segment and geographical market.

#### 4. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting):

	2016	2015
	£	£
Depreciation of tangible fixed assets	71,948	72,047
Operating lease rental for building	273,809	282,129
Foreign currency gain	(37,282)	(14,283)
Fees payable to the company's auditors for the audit of the company's annual accounts	36,565	39,250
Fees payable to the company's auditors for other services pursuant to regulation	12,000	4,700
Fees payable to the company's auditors for other tax advisory services	2,200	26,850
	<u>359,240</u>	<u>410,693</u>

#### 5. Staff numbers and costs

The average monthly number of employees (including executive directors) was:

	2016	2015
	Number	Number
Investment research staff	5	5
Administrative staff	2	2
	<u>7</u>	<u>7</u>

Their aggregate remuneration comprised:

	£	£
Salaries and benefits	2,231,816	2,381,729
Social security costs	235,704	306,063
Defined contribution pension costs	81,629	73,767
Other employee insurance	38,599	37,011
Management recharge from Bessemer Trust Company, N.A.	1,511	1,319
	<u>2,589,259</u>	<u>2,799,889</u>

The company paid £12,000 for the services of a non-executive director. All other directors' costs were borne by affiliated Group companies and it is considered that none of those directors' remuneration was in respect of services to the company.

# **Bessemer Group (U.K.) Limited**

## **Notes to the accounts**

**Year ended 31 December 2016**

<b>6. Tax on profit on ordinary activities</b>	<b>2016</b>	<b>2015</b>
Tax on ordinary activities comprises:	£	£
Current tax:		
Corporation tax charge of 20% (2015: 20.25%)	2,140	40,049
Adjustment in respect of prior years	6,158	1
Total current tax	<u>8,298</u>	<u>40,050</u>
Deferred tax:		
Origination and reversal of timing differences	15,932	(20,119)
Adjustment in respect of prior years	(5,954)	-
Effect of changes in tax rates	-	3,027
Total deferred tax	<u>9,978</u>	<u>(17,092)</u>
Total tax on profit on ordinary activities	<u><u>18,276</u></u>	<u><u>22,958</u></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>67,053</u>	<u>76,459</u>
Tax at 20% thereon (2015: 20.25%)	13,411	15,480
Effects of:		
Expenses not deductible for tax purposes	4,663	4,450
Effect of changes in tax rates	-	3,026
Adjustments to tax charge in respect of previous periods	204	1
Roundings	(1)	1
Total tax charge for the period	<u><u>18,276</u></u>	<u><u>22,958</u></u>

The Finance (No.2) Act 2015, enacted on 18 November 2015, has set the corporation tax rate at 19% from 1 April 2017. Finance Bill 2 reduced the rate further from 1 April 2020 to 17%, which was substantively enacted on 15 September 2016. Deferred tax balances have recognised at the rate of 18%.

<b>7. Tangible fixed assets</b>	<b>Leasehold improvements</b>	<b>Fixtures, fittings and equipment</b>	<b>Total</b>
	£	£	£
<b>Cost:</b>			
At 1 January 2016	540,810	227,846	768,656
Additions	-	49,002	49,002
Disposals	-	-	-
At 31 December 2016	<u>540,810</u>	<u>276,848</u>	<u>817,658</u>
<b>Accumulated depreciation</b>			
At 1 January 2016	309,504	156,491	465,995
Charge for the year	51,401	20,547	71,948
Disposals	-	-	-
At 31 December 2016	<u>360,906</u>	<u>177,038</u>	<u>537,943</u>
<b>Net book value</b>			
At 31 December 2016	<u>179,904</u>	<u>99,810</u>	<u>279,715</u>
At 31 December 2015	<u>231,306</u>	<u>71,355</u>	<u>302,661</u>

**Bessemer Group (U.K.) Limited**

**Notes to the accounts  
Year ended 31 December 2016**

<b>8. Debtors</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Trade debtors:		
Amounts owed by group companies	520,273	1,052,047
VAT	21,857	16,612
Other debtors:		
Prepayments and accrued income	52,894	36,363
Corporation tax	3,735	-
Deferred tax	15,056	25,034
Travel advances	1,756	1,879
	<u>615,572</u>	<u>1,131,935</u>
<b>9. Creditors - amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Incentive bonus and deferred compensation	575,366	913,346
Amounts owed to group companies	6,472	20,200
Other taxation and social security	553,507	551,437
Accruals	197,345	291,531
Corporation tax	-	30,361
	<u>1,332,690</u>	<u>1,806,875</u>
<b>10. Called up share capital &amp; reserves</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Authorised	<u>100,000</u>	<u>100,000</u>
100,000 ordinary shares of £1 each		
Allotted and fully paid		
100,000 ordinary shares of £1 each	100,000	100,000
Capital contribution from parent company	150,000	150,000
	<u>250,000</u>	<u>250,000</u>

On 31 March 2010, the company received a £150,000 gift of capital from its parent company, The Bessemer Group, Incorporated.

<b>11. Cash flow statement</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Operating profit	66,013	75,472
Adjustment for:		
Depreciation and amortization	71,948	72,047
Operating cash flow before movement in working capital	<u>137,961</u>	<u>147,519</u>
Decrease in debtors	510,121	158,175
(Decrease)/increase in creditors	(443,824)	124,301
UK corporation tax paid	(42,304)	(28,941)
Cash generated by operations	<u>161,953</u>	<u>401,055</u>



## **Bessemer Group (U.K.) Limited**

### **Notes to the accounts**

**Year ended 31 December 2016**

	2016 £	2015 £
<b>12. Annual Operating Lease Commitments</b>		
Total future minimum lease payments:		
within 1 year	270,390	284,064
within 2 - 5 years	653,444	970,550
within more than 5 years		
	<u>923,834</u>	<u>1,254,614</u>

The existing lease for rent of the premises expires on May 20, 2020.

### **13. Related party transactions**

As the company is a wholly owned subsidiary of The Bessemer Group, Incorporated, the company is a Qualifying Entity under FRS 102. It is therefore exempt from related party disclosures in respect of transactions with entities within the Group required under Section 33 Related Party Disclosures paragraph 33.7. There were no related party transactions with non-Group entities for the year.

### **14. Ultimate parent company**

The ultimate parent company and controlling party is The Bessemer Group, Incorporated, a US bank Holding company, whose accounts are available at 9 South Street, London, W1K 2XA, England. The largest and smallest group in which the results of the company are consolidated is that headed by The Bessemer Group, Incorporated.