

Registered number: 08256225

SCL ELECTIONS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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SCL ELECTIONS LIMITED

COMPANY INFORMATION

Director	A Nix
Registered number	08256225
Registered office	C/O PKF Littlejohn LLP 1 Westferry Circus Canary Wharf London E14 4HD
Accountants	PKF Littlejohn LLP 1 Westferry Circus Canary Wharf London E14 4HD

SCL ELECTIONS LIMITED

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SCL ELECTIONS LIMITED
REGISTERED NUMBER: 08256225

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	5	60,504	49,888
Investments	6	678	678
		<u>61,182</u>	<u>50,566</u>
Current assets			
Debtors: amounts falling due within one year	7	4,682,411	1,988,219
Cash at bank and in hand		1,677,387	203,085
		<u>6,359,798</u>	<u>2,191,304</u>
Creditors: amounts falling due within one year	8	(4,030,286)	(1,861,991)
Net current assets		<u>2,329,512</u>	<u>329,313</u>
Total assets less current liabilities		<u>2,390,694</u>	<u>379,879</u>
Net assets		<u>2,390,694</u>	<u>379,879</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		2,390,594	379,779
		<u>2,390,694</u>	<u>379,879</u>

The Director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006. The Director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities. The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income and Director's Report in accordance with provisions applicable to companies subject to the small companies' regime.

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

X 

A Nix
 Director

26.06.17

The notes on pages 2 to 7 form part of these financial statements.

SCL ELECTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

SCL Elections Limited ("the Company") is a private Company limited by shares and is incorporated and domiciled in England. The address of its registered office is PKF Littlejohn LLP, 1 Westferry Circus, Canary Wharf, London, E14 4HD.

The principal activity of the Company is the provision of research and communication services for election campaigns.

The financial statements are presented in sterling which is the functional currency of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of the first time adoption of FRS 102 is given in note 13.

The following principal accounting policies have been applied:

2.2 Revenue

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

Rendering of services

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

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

2.3 Tangible fixed assets

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

SCL ELECTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Fixtures and fittings	- 10 years
Office equipment	- 5 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.7 Creditors

Short term creditors are measured at the transaction price.

2.8 Foreign currency translation

Transactions and balances

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

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

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

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

SCL ELECTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.10 Preparation of consolidated financial statements

The financial statements contain information about SCL Elections Limited as an individual company and do not contain consolidated financial information as the parent of a small group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.12 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.13 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. Employees

The average monthly number of employees, including directors, during the year was 46 (2015 - 33).

4. Dividends

	2016 £	2015 £
Dividends paid	117,764	-
	<u>117,764</u>	<u>-</u>

SCL ELECTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 January 2016	7,084	64,847	71,931
Additions	26,500	-	26,500
At 31 December 2016	<u>33,584</u>	<u>64,847</u>	<u>98,431</u>
Depreciation			
At 1 January 2016	1,680	20,364	22,044
Charge for the period on owned assets	2,916	12,969	15,885
At 31 December 2016	<u>4,596</u>	<u>33,333</u>	<u>37,929</u>
Net book value			
At 31 December 2016	<u>28,988</u>	<u>31,514</u>	<u>60,502</u>
At 31 December 2015	<u>5,405</u>	<u>44,483</u>	<u>49,888</u>

SCL ELECTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2016	<u>678</u>
At 31 December 2016	<u>678</u>
Net book value	
At 31 December 2016	<u><u>678</u></u>
At 31 December 2015	<u><u>678</u></u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding
SCL USA Inc	USA	Ordinary	100 %
Cambridge Analytica(UK) Limited (formerly SCL USA Limited)	UK	Ordinary	100 %

7. Debtors

	2016 £	2015 £
Trade debtors	145,512	7,107
Amounts owed by related undertakings	869,595	928,119
Other debtors	348,773	201,418
Prepayments and accrued income	3,318,531	851,575
	<u>4,682,411</u>	<u>1,988,219</u>

SCL ELECTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	712,159	575,206
Amounts owed to related undertakings	1,760,023	597,196
Corporation tax	556,055	-
Other taxation and social security	89,870	66,408
Other creditors	4,615	332,706
Accruals and deferred income	907,564	290,475
	<u>4,030,286</u>	<u>1,861,991</u>

9. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	184,487	5,125
Later than 1 year and not later than 5 years	34,750	-
	<u>219,237</u>	<u>5,125</u>

10. Related party transactions

The Company has taken advantage of the exemption within Section 33 of FRS 102 not to disclose transactions with other wholly owned members of the group.

The Company owns a 19.0% share in Cambridge Analytica LLC, a US entity in which Alexander Nix is a board member. £24.2m (2015: £12.4m) income was received from this entity during the year and no costs were due by the Company in respect of losses incurred by the entity. There was no cost of this investment. At the year end, the Company was owed £869,595 (2015: £922,440) by this entity.

At the year end, Alexander Nix owed £NIL to (2015: £8,506) SCL Elections Limited. The loan was interest free and has been paid in full during the year.

11. Controlling party

The ultimate controlling party throughout the period was Alexander Nix.

12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.