

Company number : 2263563
(England and Wales)

Royle Recruitment Limited

ABBREVIATED FINANCIAL STATEMENTS

Year ended 31 March 2001



A25
COMPANIES HOUSE

AK2503B3

0137
18/08/01

Royle Recruitment Limited

REPORT OF THE DIRECTORS
for the year ended 31 March 2001

The directors present their report with the financial statements of the company for the year ended 31 March 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of work contracting and staff bureau.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The company continued to trade satisfactorily during the year and the directors are encouraged by the company's position at the year end.

The retained profit of £24,040 will be transferred to reserves.

DIVIDENDS

Interim dividends of £131,590 were paid during the year. The directors recommend a final dividend of £11,000 for the year ended 31 March 2001.

The total distribution of dividends for the year ended 31 March 2001 will be £142,590.

DIRECTORS

The directors of the company in office during the year and their beneficial interests in the issued share capital were as follows:-

<u>Name</u>	<u>Class of Capital</u>	<u>31.03.01</u>	<u>31.03.00</u>
Mrs A N Craven	Ordinary £1	10,968	10,968
R M Craven	Ordinary £1	10,968	10,968
Mrs A N and Mr R M Craven	Ordinary £1	1	1

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 those 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;
- 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 proper accounting records which 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 1985. 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.

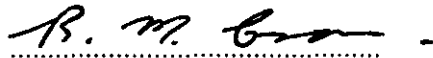
Royle Recruitment Limited

REPORT OF THE DIRECTORS
for the year ended 31 March 2001 - Continued

AUDITORS

The auditors, Hardcastle France, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD

 -

R M Craven - Secretary

Dated: 18/10/01

Royle Recruitment Limited

REPORT OF THE INDEPENDENT AUDITORS TO

Royle Recruitment Limited

Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages four to fifteen, together with the full financial statements of the company for the year ended 31 March 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages four to fifteen are properly prepared in accordance with that provision.



Hardcastle France
Registered Auditors
Chartered Accountants
Malton

20 July 2001

Royle Recruitment Limited

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2001

			<u>2000</u>
		£	£
	<u>Notes</u>		
GROSS PROFIT		610,976	485,316
ADMINISTRATIVE EXPENSES		404,890	348,042
		-----	-----
OPERATING PROFIT	3	206,086	137,274
INTEREST RECEIVABLE AND SIMILAR INCOME		6,099	-
		-----	-----
		212,185	137,274
INTEREST PAYABLE AND SIMILAR CHARGES	4	2,447	7,846
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		209,738	129,428
TAX ON PROFIT ON ORDINARY ACTIVITIES	5	43,108	26,728
		-----	-----
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		166,630	102,700
DIVIDENDS	6	142,590	80,000
		-----	-----
RETAINED PROFIT FOR THE FINANCIAL YEAR		24,040	22,700
		=====	=====

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the above two financial years.

Royle Recruitment Limited

ABBREVIATED BALANCE SHEET

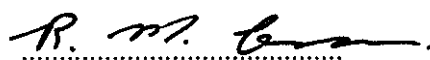
As at 31 March 2001

			<u>2000</u>
	<u>Notes</u>	£	£
<u>FIXED ASSETS</u>			
Intangible assets	7	9,188	10,238
Tangible assets	8	30,412	27,645
		<u>39,600</u>	<u>37,883</u>
<u>CURRENT ASSETS</u>			
Debtors	9	772,559	625,692
Cash at bank and in hand		359,110	147,321
		<u>1,131,669</u>	<u>773,013</u>
<u>CREDITORS: Amounts falling due within one year</u>	10	983,148	645,565
<u>NET CURRENT ASSETS</u>		148,521	127,448
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		188,121	165,331
<u>CREDITORS: Amounts falling due after more than one year</u>	11	-	(1,250)
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>	12	(1,800)	(1,800)
		<u>186,321</u>	<u>162,281</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	13	21,937	21,937
Profit and loss account		161,321	137,281
Capital redemption reserve		3,063	3,063
<u>SHAREHOLDERS' FUNDS</u>	17	<u>186,321</u>	<u>162,281</u>

ON BEHALF OF THE BOARD



Mrs A N Craven - Director



R M Craven - Director

Approved by the Board on 18/7/01

Royle Recruitment Limited

ABBREVIATED CASH FLOW STATEMENT
for the year ended 31 March 2001

			<u>2000</u>
		£	£
	<u>Notes</u>		
<u>NET CASH INFLOW FROM</u> <u>OPERATING ACTIVITIES</u>	21	382,575	308,752
<u>RETURNS ON INVESTMENT</u> <u>AND SERVICING OF FINANCE</u>	23	3,652	(7,846)
<u>TAXATION</u>		(26,726)	(28,171)
<u>CAPITAL EXPENDITURE</u>	23	(7,727)	(8,031)
<u>DIVIDENDS PAID</u>		(131,590)	(80,000)
<u>FINANCING</u>	23	(8,396)	3,939
		-----	-----
<u>INCREASE IN CASH</u>		<u>211,788</u>	<u>188,643</u>

Royle Recruitment Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2001

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents net invoiced sales of goods and services excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of Royle. The goodwill is amortised straight line over 20 years to write it off over its estimated useful life.

If, in the opinion of the directors, the goodwill suffers a permanent diminution in value, then the amount of the permanent diminution will be charged to the profit and loss account.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:-

Leasehold land and buildings	- 4% on cost
Plant and machinery etc.	- 15% on reducing balance

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit as incurred.

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease at a constant proportion of the outstanding balance of capital repayments.

Pension costs

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account of the year in which they are payable to the scheme.

Royle Recruitment Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2001

2. STAFF COSTS

	<u>2001</u>	<u>2000</u>
	£	£
Wages and salaries	7,869,369	5,118,765
Social security costs	482,752	314,015
Pension costs	55,968	55,100
	-----	-----
	8,408,089	5,487,880
	=====	=====

The average monthly number of employees during the year was 234 (2000: 193).

3. OPERATING PROFIT

The operating profit is stated after charging:

Directors' emoluments	50,000	48,000
Depreciation of tangible fixed assets	4,959	4,413
Amortisation of intangible fixed assets	1,050	1,050
Auditors' remuneration	3,950	4,000
	=====	=====

Directors' emoluments are made up as follows:-

Directors' emoluments (including benefits in kind)	56,730	52,832
Directors' pension contributions	51,800	51,800
	-----	-----
	108,530	104,632
	=====	=====

During the year retirement benefits were accruing to two (2000 - two) directors in respect of money purchase pension schemes.

4. INTEREST PAYABLE AND SIMILAR CHARGES

On bank loans and overdrafts	1,377	5,688
On other loans	1,070	2,158
	-----	-----
	2,447	7,846
	=====	=====

Royle Recruitment Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2001

5. TAXATION

	<u>2001</u>	<u>2000</u>
	£	£
UK corporation tax at 20% (2000: 20%)	43,108	26,728

6. DIVIDENDS

Equity shares:		
Dividends paid	131,590	80,000
Dividends proposed	11,000	-
	142,590	80,000

7. INTANGIBLE FIXED ASSETS

	<u>Goodwill</u>
	£
<u>COST</u>	
At 1 April 2000 and 31 March 2001	29,500
<u>AMORTISATION</u>	
At 1 April 2000	19,262
Charge for year	1,050
At 31 March 2001	20,312
<u>NET BOOK VALUE</u>	
At 31 March 2001	9,188
At 31 March 2000	10,238

Royle Recruitment Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2001

8. TANGIBLE FIXED ASSETS

	Leasehold property	Fixtures and fittings	Totals
	£	£	£
<u>COST</u>			
At 1 April 2000	7,899	59,922	67,821
Additions	-	7,727	7,727
	-----	-----	-----
At 31 March 2001	7,899	67,649	75,548
	-----	-----	-----
<u>DEPRECIATION</u>			
At 1 April 2000	3,477	36,700	40,177
Charge for year	316	4,643	4,959
	-----	-----	-----
As at 31 March 2001	3,793	41,343	45,136
	-----	-----	-----
<u>NET BOOK VALUE</u>			
As at 31 March 2001	4,106	26,306	30,412
	=====	=====	=====
As at 31 March 2000	4,422	23,223	27,645
	=====	=====	=====

9. DEBTORS

	<u>2001</u>	<u>2000</u>
	£	£
Trade debtors	730,724	591,804
Other debtors	41,835	33,888
	-----	-----
	772,559	625,692
	=====	=====

Included in other debtors is an amount outstanding from Mr R M Craven of £5,416 (2000: £65) and from Mrs A N Craven of £5,416 (2000: £66). The amounts were repaid on 28 June 2001.

Royle Recruitment Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2001

10. CREDITORS: Amounts falling
due within one year

	<u>2001</u>	<u>2000</u>
	£	£
Trade creditors	630,871	315,520
Other creditors	352,277	330,045
	-----	-----
	983,148	645,565
	=====	=====
Taxation and social security included in above totals	809,402	466,978
	=====	=====

11. CREDITORS: Amounts falling due
after more than one year

Other loans	-	1,250
	=====	=====
Debt due after more than one year		
- repayable between one and two years	-	1,250
	=====	=====

12. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation	1,800	1,800
	=====	=====

Deferred taxation for which provision has been made in the financial statements and the amounts for which no provision has been made, are as follows:-

	<i>Provided</i>		<i>Not provided</i>	
	<u>31/03/01</u>	<u>31/03/00</u>	<u>31/03/01</u>	<u>31/03/00</u>
Deferred taxation	1,800	1,800	-	-
	=====	=====	=====	=====

13. CALLED UP SHARE CAPITAL
Ordinary shares of £1 each

Authorised	50,000	50,000
	=====	=====
Allotted, called up and fully paid	21,937	21,937
	=====	=====

Royle Recruitment Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2001

14. CONTINGENT LIABILITIES

The company had no contingent liabilities at 31 March 2001 (2000 : £Nil).

15. CAPITAL COMMITMENTS

There were no capital commitments at 31 March 2001 (2000 : £Nil).

16. RESERVES

	Capital redemption reserve	Profit and loss account	Total
	£	£	£
At 1 April 2000	3,063	137,281	140,344
Retained profit for the year	-	24,040	24,040
	-----	-----	-----
At 31 March 2001	3,063	161,321	164,384
	=====	=====	=====

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2001</u>	<u>2000</u>
	£	£
Profit for the financial year	166,630	102,700
Dividends	(142,590)	(80,000)
	-----	-----
Net addition in shareholders' funds	24,040	22,700
Opening shareholders' funds	162,281	139,581
	-----	-----
Closing shareholders' funds - all equity	186,321	162,281
	=====	=====

18. PENSION COMMITMENTS

Directors

The company operates a defined contribution pension scheme. The scheme is funded by contributions from the company. The funds of the scheme are administered by trustees. The trustees of the scheme are the directors of the company, Barnett Waddingham Trustees Limited and Mr R W Miers of Messrs Harrowell Shaftoe Solicitors.

The total pension cost charge for the period in these accounts amounted to £51,800 (2000 : £51,800).

There were no prepaid contributions.

Royle Recruitment Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2001

18. PENSION COMMITMENTS - Continued

Other Employees

The company operates a defined contribution scheme on behalf of certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The total pension charge included in these accounts amounts to £4,168 (2000 : £3,300)

There were no prepaid contributions.

19. ANNUAL COMMITMENTS UNDER OPERATING LEASES

At 31 March 2001, the company had annual commitments under non-cancellable operating leases which expire as follows:-

	<u>2001</u>	<u>2000</u>
	£	£
Land and buildings - over five years	13,500	13,500
Other operating leases - within two to five years	-	2,719
- within one to two years	2,719	9,990
- less than one year	9,990	-

20. RELATED PARTIES DISCLOSURES

The company entered into transactions during the period with the Royle Recruitment Retirement Benefit Scheme of which both Mr and Mrs Craven are members and trustees.

During the year the company paid contributions to the scheme of £51,800 (2000 : £51,800).

During the year ended 31 December 1998 the company received a loan of £25,000 from the pension scheme. The amount outstanding on this loan at 31 March 2001 was £1,250 (2000: £25,000). Interest is payable on this loan at a rate of 3% above HSBC Bank base rate. The total interest payable was £1,070 (2000 : £2,158).

Security for the bank borrowings is provided by an unlimited guarantee by Mr R M Craven and Mrs A N Craven.

During the year Mr R M Craven and Mrs A N Craven were granted short term loans. The indebtedness of the loan was as follows:-

<u>Liability at</u> <u>1 April 2000</u>		<u>Maximum liability</u> <u>during the year</u>		<u>Liability at</u> <u>31 March 2001</u>	
R M Craven	A N Craven	R M Craven	A N Craven	R M Craven	A N Craven
65	66	5,416	5,416	5,416	5,416
=====	=====	=====	=====	=====	=====

No interest was due or unpaid. The loan accounts were repaid on 28 June 2001 by the payment of a dividend.

Royle Recruitment Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2001

21. RECONCILIATION OF OPERATING PROFIT
NET CASH INFLOW FROM OPERATING ACTIVITIES

	<u>2001</u>	<u>2000</u>
	£	£
Operating profit	206,086	137,274
Depreciation charges	6,009	5,463
(Increase) in debtors	(138,471)	(13,939)
Increase in creditors	308,951	179,954
	-----	-----
Net cash inflow from operating activities	<u>382,575</u>	<u>308,752</u>

22. RECONCILIATION OF NET CASH FLOW
TO MOVEMENT IN NET DEBT

Increase in cash for the year	211,788	188,643
Repayment of loans	23,750	-
	-----	-----
Change in net debt	235,538	188,643
Net funds at 1 April 2000	122,321	(66,322)
	-----	-----
Net funds at 31 March 2001	<u>357,859</u>	<u>122,321</u>

Royle Recruitment Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2001

23. ANALYSIS OF CASH FLOWS FOR HEADINGS
NETTED IN THE CASH FLOW STATEMENT

	<u>2001</u>	<u>2000</u>
	£	£
<i><u>Returns on investments and servicing of finance</u></i>		
Interest paid	(2,447)	(7,846)
Interest received	6,099	-
	-----	-----
<u>Net cash inflow/(outflow) for returns on investments and servicing of finance</u>	<u>3,652</u>	<u>(7,846)</u>
	=====	=====
<i><u>Capital expenditure</u></i>		
Purchase of tangible fixed assets	(7,727)	(8,031)
	-----	-----
<u>Net cash outflow for capital expenditure</u>	<u>(7,727)</u>	<u>(8,031)</u>
	=====	=====
<i><u>Financing</u></i>		
Repayment of directors' loan account	(10,700)	(4,639)
Receipt of staff loans	2,304	(700)
	-----	-----
<u>Net cash (outflow)/inflow from financing</u>	<u>(8,396)</u>	<u>3,939</u>
	=====	=====

24. ANALYSIS OF CHANGES IN NET DEBT

	<u>At 01/04/00</u>	<u>Cash flows</u>	<u>Other non-cash changes</u>	<u>At 31/03/01</u>
Cash in hand and at bank	147,321	211,788	-	359,109
Debt due within one year	(23,750)	23,750	(1,250)	(1,250)
Debt due after more than one year	(1,250)	-	(1,250)	-
	-----	-----	-----	-----
	<u>122,321</u>	<u>235,538</u>	<u>-</u>	<u>357,859</u>
	=====	=====	=====	=====

25. ULTIMATE CONTROLLING PARTIES

The controlling parties during the year were Mrs A N Craven and Mr R M Craven.