

Company Registration No 02263563 (England and Wales)

**ROYLE RECRUITMENT LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 30 APRIL 2011**



# **ROYLE RECRUITMENT LIMITED**

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# **ROYLE RECRUITMENT LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 30 APRIL 2011**

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The directors present their report and financial statements for the year ended 30 April 2011

### **Principal activities and review of the business**

The principal activity of the company continued to be that of work contracting and staff bureau

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

The company has continued to trade satisfactorily during the year and the directors are encouraged by the company's position at the year end. The retained loss after dividends of £68184 will be transferred to reserves

Since the majority of the technical side of the business is involved in the electrical supply industry Royle Recruitment Limited is subject to the vagaries and changes of policies and ownership within the electrical services installation

The directors are satisfied with the position of the company at the year end

### **Results and dividends**

The results for the year are set out on page 4

Interim ordinary dividends were paid amounting to £99,500. The directors do not recommend payment of a final dividend. The total distribution of dividends for the year ended 30 April 2011 will be £99,500

### **Future developments**

The directors project that the company will maintain its trading activities and results over the next twelve months

### **Directors**

The following directors have held office since 1 May 2010

Mr R M Craven  
Mrs A N Craven  
Mr J R Craven  
Mrs L G Aston

### **Taxation status**

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year

### **Introduction of the euro**

The directors consider there to be very little impact of the Euro on their business. The directors consider that the employment of Europeans is an advantage

### **Auditors**

In accordance with the Company's Articles, a resolution proposing that Townsend Harnson Limited be reappointed as auditors of the company will be put at the Annual General Meeting

## **ROYLE RECRUITMENT LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2011**

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

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

The directors' are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr J R Craven

**Director**

25 January 2012

# ROYLE RECRUITMENT LIMITED

## INDEPENDENT AUDITORS' REPORT TO ROYLE RECRUITMENT LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 16, together with the financial statements of Royle Recruitment Limited for the year ended 30 April 2011 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.


### Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Simon Harrison FCA (Senior Statutory Auditor)  
for and on behalf of Townsend Harrison Limited

26<sup>th</sup> January 2012

Chartered Accountants  
Statutory Auditor

13 Yorkersgate  
Malton  
North Yorkshire  
YO17 7AA

## ROYLE RECRUITMENT LIMITED

### ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2011

	Notes	Year ended 30 April 2011 £	Year ended 30 April 2010 £
Turnover		12,803,049	15,042,554
Other operating income less cost of sales		(11,985,013)	(14,049,557)
Administrative expenses		(777,205)	(825,735)
<b>Operating profit</b>	<b>2</b>	<b>40,831</b>	<b>167,262</b>
Other interest receivable and similar income		369	-
Interest payable and similar charges	<b>4</b>	(581)	(383)
<b>Profit on ordinary activities before taxation</b>		<b>40,619</b>	<b>166,879</b>
Tax on profit on ordinary activities	<b>5</b>	(9,303)	(47,718)
<b>Profit for the year</b>	<b>14</b>	<b>31,316</b>	<b>119,161</b>

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

# ROYLE RECRUITMENT LIMITED

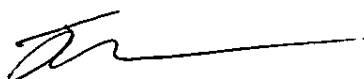
## ABBREVIATED BALANCE SHEET

AS AT 30 APRIL 2011

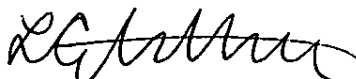
	Notes	2011 £	£	2010 £	£
<b>Fixed assets</b>					
Tangible assets	8		64,640		71,412
<b>Current assets</b>					
Debtors	9	2,155,863		1,950,342	
Cash at bank and in hand		87		87	
		<u>2,155,950</u>		<u>1,950,429</u>	
<b>Creditors amounts falling due within one year</b>	10	<u>(1,880,442)</u>		<u>(1,612,437)</u>	
<b>Net current assets</b>			275,508		337,992
<b>Total assets less current liabilities</b>			340,148		409,404
<b>Provisions for liabilities</b>	11		(9,740)		(10,812)
			<u>330,408</u>		<u>398,592</u>
<b>Capital and reserves</b>					
Called up share capital	13		21,957		21,957
Other reserves	14		3,063		3,063
Profit and loss account	14		305,388		373,572
<b>Shareholders' funds</b>	15		<u>330,408</u>		<u>398,592</u>

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 25 January 2012



Mr J R Craven  
Director



Mrs L G Aston  
Director

Company Registration No 02263563

# **ROYLE RECRUITMENT LIMITED**

## **CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 30 APRIL 2011**

	Year ended 30 April 2011	Year ended 30 April 2010
	£	£
<b>Net cash outflow from operating activities</b>	(112,523)	(34,343)
<b>Returns on investments and servicing of finance</b>		
Interest received	369	-
Interest paid	(581)	(383)
<b>Net cash outflow for returns on investments and servicing of finance</b>	(212)	(383)
<b>Taxation</b>	(55,097)	680
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(5,153)	(24,531)
<b>Net cash outflow for capital expenditure</b>	(5,153)	(24,531)
<b>Equity dividends paid</b>	(99,500)	(92,340)
<b>Net cash outflow before management of liquid resources and financing</b>	(272,485)	(150,917)
<b>Decrease in cash in the year</b>	(272,485)	(150,917)



# ROYLE RECRUITMENT LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 APRIL 2011

1	Reconciliation of operating profit to net cash outflow from operating activities	2011		2010	
		£		£	
	Operating profit	40,831		167,262	
	Depreciation of tangible assets	11,925		13,293	
	(Increase)/decrease in debtors	(205,521)		407,947	
	Increase/(decrease) in creditors within one year	40,242		(622,845)	
	<b>Net cash outflow from operating activities</b>	<b>(112,523)</b>		<b>(34,343)</b>	
2	Analysis of net debt	1 May 2010	Cash flow	Other non-cash changes	30 April 2011
		£	£	£	£
	Net cash				
	Cash at bank and in hand	87	-	-	87
	Bank overdrafts	(750,837)	(272,485)	-	(1,023,322)
		<u>(750,750)</u>	<u>(272,485)</u>	<u>-</u>	<u>(1,023,235)</u>
	Bank deposits	-	-	-	-
	<b>Net debt</b>	<b>(750,750)</b>	<b>(272,485)</b>	<b>-</b>	<b>(1,023,235)</b>
3	Reconciliation of net cash flow to movement in net debt	2011		2010	
		£		£	
	Decrease in cash in the year	(272,485)		(150,917)	
	<b>Movement in net debt in the year</b>	<b>(272,485)</b>		<b>(150,917)</b>	
	Opening net debt	(750,750)		(599,833)	
	<b>Closing net debt</b>	<b>(1,023,235)</b>		<b>(750,750)</b>	

# ROYLE RECRUITMENT LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED 30 APRIL 2011**

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### **1 Accounting policies**

#### **1 1 Accounting convention**

The financial statements are prepared under the historical cost convention

#### **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 amounts receivable for goods and services net of VAT and trade discounts

#### **1 4 Goodwill**

Goodwill, being the amount paid in connection with the acquisition of Royle, is being written off evenly over its estimated useful life of twenty years

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 profit and loss account

#### **1 5 Tangible fixed assets and depreciation**

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

Fixtures, fittings & equipment	15% on reducing balance
Motor vehicles	25% on reducing balance

#### **1 6 Leasing**

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

#### **1 7 Revenue recognition**

Turnover represents revenue earned under a variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue not billed to clients is included in debtors

#### **1 8 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### **1 9 Deferred taxation**

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

# ROYLE RECRUITMENT LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2011

### 1 Accounting policies

(continued)

#### 1 10 Employer Financed Retirement Benefit Schemes (EFRBS)

During the preceding year the Company established an employer financed retirement benefit scheme for the benefits of its officers, employees and their wider families, The Royle Recruitment Limited Employer Financed Retirement Benefit Scheme ("the Scheme")

In accordance with UITF abstract 32 "Employee Benefit Trusts and other intermediate payment arrangements" the Company does not include the assets and liabilities of the Scheme on its balance sheet to the extent that it considers that it will not retain any future economic benefit from the assets of the Scheme and will not have control of the rights or other access to those future economic benefits

During the year the Company resolved to establish an employer financed retirement benefit scheme for the benefit of its officers, employees and their wider families, The Royle Recruitment Limited 2011 EFRBS ("the Scheme")

In accordance with Financial Reporting Standards, the Directors consider that a constructive obligation existed as at 30th April 2011 as a result of the resolution made at a meeting of the Directors beforehand. It was therefore considered that an accrual should be recognised in the accounts of £120,200 on the basis that as at 30th April the Company had a present constructive obligation as a result of a past event, that the Directors believed that a transfer of economic benefits would be required to settle the obligation, and that an accurate estimate could be made of the amount of the obligation. On 29th September 2011 the Company established the Scheme and within 9 months of the accounting year end the Company made contributions of £120,200 in total under the Scheme.

In accordance with UITF Abstract 32 "Employee Benefit Trusts and other intermediate payment arrangements", the Company does not include the assets and liabilities of the Scheme on its balance sheet to the extent that it considers that it will not retain any future economic benefit from the assets of the Scheme and will not have control of the rights or other access to those future economic benefits.

2 Operating profit	2011 £	2010 £
Operating profit is stated after charging		
Depreciation of tangible assets	11,925	13,293
Operating lease rentals		
- Plant and machinery	1,231	675
Auditors' remuneration (including expenses and benefits in kind)	12,000	12,000

The auditors were also paid £14,750 (2010 - £7,425) for other services provided during the year

3 Investment income	2011 £	2010 £
Other interest	369	-

# **ROYLE RECRUITMENT LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2011**

<b>4</b>	<b>Interest payable</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	152	383
	On overdue tax	429	-
		<u>581</u>	<u>383</u>
<b>5</b>	<b>Taxation</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	10,375	32,752
	Adjustment for prior years	-	11,560
		<u>10,375</u>	<u>44,312</u>
	<b>Total current tax</b>	<b>10,375</b>	<b>44,312</b>
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	(1,072)	3,406
		<u>9,303</u>	<u>47,718</u>
	<b>Factors affecting the tax charge for the period</b>		
	Profit on ordinary activities before taxation	<u>40,619</u>	<u>166,879</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21 00% (2010 - 21 00%)	<u>8,530</u>	<u>35,045</u>
	Effects of		
	Non deductible expenses	998	1,113
	Depreciation add back	2,504	2,792
	Capital allowances	(1,919)	(6,198)
	Adjustments to previous periods	302	11,560
	Other tax adjustments	(40)	-
		<u>1,845</u>	<u>9,267</u>
	<b>Current tax charge for the period</b>	<u><b>10,375</b></u>	<u><b>44,312</b></u>

# **ROYLE RECRUITMENT LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2011**

<b>6 Dividends</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Ordinary interim paid	99,500	92,340

<b>7 Intangible fixed assets</b>	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
At 1 May 2010 & at 30 April 2011	21,000
<b>Amortisation</b>	
At 1 May 2010 & at 30 April 2011	21,000
<b>Net book value</b>	
At 30 April 2011	-
At 30 April 2010	-

<b>8 Tangible fixed assets</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 May 2010	178,914	21,040	199,954
Additions	5,153	-	5,153
At 30 April 2011	184,067	21,040	205,107
<b>Depreciation</b>			
At 1 May 2010	111,912	16,630	128,542
Charge for the year	10,823	1,102	11,925
At 30 April 2011	122,735	17,732	140,467
<b>Net book value</b>			
At 30 April 2011	61,332	3,308	64,640
At 30 April 2010	67,002	4,410	71,412

# **ROYLE RECRUITMENT LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2011**

<b>9 Debtors</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,879,671	1,752,867
Other debtors	276,192	197,475
	<u>2,155,863</u>	<u>1,950,342</u>

<b>10 Creditors amounts falling due within one year</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	1,023,322	750,837
Trade creditors	500,422	590,043
Corporation tax	10,073	54,795
Accruals and deferred income	346,625	216,762
	<u>1,880,442</u>	<u>1,612,437</u>

Taxation and social security included in the above totals £472,133 (2010 £537,032)

Included in Bank loans and overdrafts is a secured debt of £927,463 This is secured on the company's trade debtors

The bank overdraft is secured by a debenture

# **ROYLE RECRUITMENT LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2011**

### **11 Provisions for liabilities**

	<b>Deferred tax liability £</b>
Balance at 1 May 2010	10,812
Profit and loss account	(1,072)
	<u>9,740</u>
Balance at 30 April 2011	<u>9,740</u>

**The deferred tax liability is made up as follows**

	<b>2011 £</b>	<b>2010 £</b>
Accelerated capital allowances	<u>9,740</u>	<u>10,812</u>

### **12 Pension and other post-retirement benefit commitments**

#### **Defined contribution**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	<b>2011 £</b>	<b>2010 £</b>
Contributions payable by the company for the year	<u>13,400</u>	<u>11,633</u>

### **13 Share capital**

	<b>2011 £</b>	<b>2010 £</b>
<b>Allotted, called up and fully paid</b>		
21,937 Ordinary shares of £1 each	21,937	21,937
20 Ordinary 'B' shares of £1 each	20	20
	<u>21,957</u>	<u>21,957</u>

# **ROYLE RECRUITMENT LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2011**

### **14 Statement of movements on reserves**

	Other reserves (see below) £	Profit and loss account £
Balance at 1 May 2010	3,063	373,572
Profit for the period	-	31,316
Dividends paid	-	(99,500)
	<u>3,063</u>	<u>305,388</u>
<b>Other reserves</b>		
<b>Capital redemption reserve</b>		
Balance at 1 May 2010 & at 30 April 2011	<u>3,063</u>	

### **15 Reconciliation of movements in shareholders' funds**

	2011 £	2010 £
Profit for the financial year	31,316	119,161
Dividends	(99,500)	(92,340)
	<u>(68,184)</u>	<u>26,821</u>
Net (depletion in)/addition to shareholders' funds	(68,184)	26,821
Opening shareholders' funds	398,592	371,771
	<u>330,408</u>	<u>398,592</u>
Closing shareholders' funds	<u>330,408</u>	<u>398,592</u>

### **16 Contingent liabilities**

The company had no contingent liabilities as at 30 April 2011 (2010 £Nil)

### **17 Financial commitments**

At 30 April 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 April 2012

	Land and buildings		Other	
	2011	2010	2011	2010
	£	£	£	£
Operating leases which expire				
Between two and five years	25,232	25,055	900	900
	<u>25,232</u>	<u>25,055</u>	<u>900</u>	<u>900</u>



## ROYLE RECRUITMENT LIMITED

### NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2011

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<b>18 Directors' remuneration</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	27,559	33,088

#### 19 Employees

##### Number of employees

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

<b>2011</b>	<b>2010</b>
<b>Number</b>	<b>Number</b>
187	273

##### Employment costs

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Wages and salaries	7,203,469	9,182,291
Social security costs	515,598	716,809
Other pension costs	13,400	11,633
	7,732,467	9,910,733

#### 20 Ultimate parent company

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

## ROYLE RECRUITMENT LIMITED

### NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2011

#### 21 Related party relationships and transactions

##### Loans to directors

Transactions in relation to loans with directors during the year are outlined in the table below

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Mr R M Craven	-	30,005	80,407	-	(73,490)	36,922
Mrs A N Craven	-	20,092	78,164	-	(73,490)	24,766
Mr J R Craven	-	14,766	319,852	-	(299,260)	35,358
Mrs L G Aston	-	48,314	142,072	-	(81,260)	109,126
		<u>113,177</u>	<u>620,495</u>	<u>-</u>	<u>(527,500)</u>	<u>206,172</u>

The maximum amounts outstanding during the year were as follows - Mr R M Craven £62,289, Mrs A N Craven £50,067, Mr J R Craven £39,958, Mrs L G Aston £109,126

All of the above loans are unsecured, interest free and repayable on demand. The loans were repaid by cash injection after the year end.

Dividends were paid to directors as follows - Mr RM Craven £23,490, Mrs AN Craven £23,490, Mr JR Craven £26,260, Mrs LG Aston £26,260