

Company Registration No. 2263563 (England and Wales)

ROYLE RECRUITMENT LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2005



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COMPANIES HOUSE 19/01/2006

ROYLE RECRUITMENT LIMITED

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ROYLE RECRUITMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

The directors present their report and financial statements for the year ended 31 March 2005.

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 of £143698 will be transferred to reserves.

Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £206,747.

The directors do not recommend payment of a final dividend.

The total distribution of dividends for the year ended 31 March 2005 will be £206,747.

Directors

The following directors have held office since 1 April 2004:

Mrs A N Craven
R M Craven

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary of £ 1 each	
	31 March 2005	1 April 2004
Mrs A N Craven	10,968	10,968
R M Craven	10,968	10,968
Mrs A N and Mr R M Craven	1	1

	Ordinary 'B' of £ 1 each	
	31 March 2005	1 April 2004
Mrs A N Craven	-	-
R M Craven	-	-
Mrs A N and Mr R M Craven	-	-

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

ROYLE RECRUITMENT LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

Disabled persons

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

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.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Townsend Harrison Limited Chartered Accountants be reappointed as auditors of the company will be put to the Annual General Meeting.

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 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.

On behalf of the board



R M Craven

10.1.06

ROYLE RECRUITMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO ROYLE RECRUITMENT LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 16, together with the financial statements of the company for the year ended 31 March 2005 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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 audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

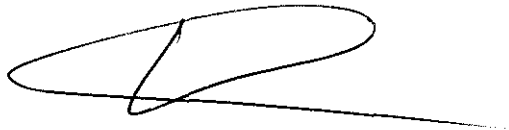
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of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

Basis of audit 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 accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 16 are properly prepared in accordance with that provision.



Townsend Harrison Limited
Chartered Accountants

12 January 2006

Registered Auditor

13 Yorkersgate
Malton
North Yorkshire
YO17 7AA

ROYLE RECRUITMENT LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
Gross profit		843,745	770,229
Administrative expenses		(760,274)	(601,262)
Operating profit	2	83,471	168,967
Other interest receivable and similar income		3,870	5,213
Interest payable and similar charges	4	(6,418)	(2,037)
Profit on ordinary activities before taxation		80,923	172,143
Tax on profit on ordinary activities	5	(17,874)	(33,861)
Profit on ordinary activities after taxation		63,049	138,282
Dividends	6	(206,747)	-
Retained (loss)/profit for the year	15	(143,698)	138,282

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 31 MARCH 2005

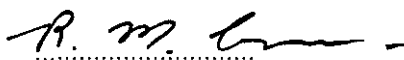
	Notes	2005 £	£	2004 £	£
Fixed assets					
Intangible assets	7		4,988		6,038
Tangible assets	8		42,370		59,213
			<u>47,358</u>		<u>65,251</u>
Current assets					
Debtors	9	1,350,887		1,841,322	
Cash at bank and in hand		49,043		1,246	
		<u>1,399,930</u>		<u>1,842,568</u>	
Creditors: amounts falling due within one year	10	(1,019,274)		(1,347,390)	
Net current assets			<u>380,656</u>		<u>495,178</u>
Total assets less current liabilities			<u>428,014</u>		<u>560,429</u>
Creditors: amounts falling due after more than one year	11		(9,009)		-
Provisions for liabilities and charges	12		(3,952)		(1,698)
			<u>415,053</u>		<u>558,731</u>
Capital and reserves					
Called up share capital	14		21,957		21,937
Other reserves	15		3,063		3,063
Profit and loss account	15		390,033		533,731
Shareholders' funds - equity interests	16		<u>415,053</u>		<u>558,731</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 10.1.06



Mrs A N Craven
Director



R M Craven
Director

ROYLE RECRUITMENT LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

	2005		2004	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		411,911		(198,855)
Returns on investments and servicing of finance				
Interest received	3,870		5,213	
Interest paid	(6,418)		(2,037)	
Net cash (outflow)/inflow for returns on investments and servicing of finance		(2,548)		3,176
Taxation		(33,612)		(72,253)
Capital expenditure				
Payments to acquire tangible assets	(24,929)		(10,168)	
Receipts from sales of tangible assets	23,523		-	
Net cash outflow for capital expenditure		(1,406)		(10,168)
Equity dividends paid		(206,747)		(5,500)
Net cash inflow/(outflow) before management of liquid resources and financing		167,598		(283,600)
Financing				
Issue of ordinary share capital	20		-	
Capital element of hire purchase contracts	(13,824)		(12,667)	
Net cash outflow from financing		(13,804)		(12,667)
Increase/(decrease) in cash in the year		153,794		(296,267)

ROYLE RECRUITMENT LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities		2005	2004
			£	£
	Operating profit		83,471	168,967
	Depreciation of tangible assets		7,796	13,957
	Amortisation of intangible assets		1,050	1,050
	Loss on disposal of tangible assets		30,453	-
	Decrease/(increase) in debtors		490,435	(1,038,683)
	(Decrease)/Increase in creditors within one year		(201,294)	655,854
	Net cash inflow/(outflow) from operating activities		411,911	(198,855)

2	Analysis of net funds/(debt)	1 April 2004	Cash flow	Other non- 31 March 2005
				cash changes
		£	£	£
	Net cash:			
	Cash at bank and in hand	1,246	47,797	-
	Bank overdrafts	(105,997)	105,997	-
		(104,751)	153,794	-
	Debt:			
	Finance leases	(9,500)	13,824	(20,000)
	Net (debt)/funds	(114,251)	167,618	(20,000)

3	Reconciliation of net cash flow to movement in net funds/(debt)	2005	2004
		£	£
	Increase/(decrease) in cash in the year	153,794	(296,267)
	Cash outflow from decrease in debt and lease financing	13,824	12,667
	Change in net debt resulting from cash flows	167,618	(283,600)
	New finance lease	(20,000)	-
	Movement in net funds/(debt) in the year	147,618	(283,600)
	Opening net (debt)/funds	(114,251)	169,349
	Closing net funds/(debt)	33,367	(114,251)

ROYLE RECRUITMENT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 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.

1.4 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.

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant charge.

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

1.6 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.

1.7 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

ROYLE RECRUITMENT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

2	Operating profit	2005	2004
		£	£
	Operating profit is stated after charging:		
	Amortisation of intangible assets	1,050	1,050
	Depreciation of tangible assets	7,796	13,957
	Loss on disposal of tangible assets	30,453	-
	Operating lease rentals	66,952	60,673
	Auditors' remuneration	4,750	4,250
		<u> </u>	<u> </u>
3	Investment income	2005	2004
		£	£
	Bank interest	3,870	5,213
		<u> </u>	<u> </u>
4	Interest payable	2005	2004
		£	£
	On bank loans and overdrafts	4,941	897
	Hire purchase interest	1,477	1,140
		<u> </u>	<u> </u>
		6,418	2,037
		<u> </u>	<u> </u>
5	Taxation	2005	2004
		£	£
	Domestic current year tax		
	U.K. Corporation tax at 19% (2004: 19%)	15,620	33,612
		<u> </u>	<u> </u>
	Current tax charge	15,620	33,612
		<u> </u>	<u> </u>
	Deferred tax		
	Deferred tax charge/credit current year	2,254	249
		<u> </u>	<u> </u>
		17,874	33,861
		<u> </u>	<u> </u>
There are excess non corporate distributions that could have an effect on future tax charges. The maximum potential effect would be to increase the tax charge by £23,662.			
6	Dividends	2005	2004
		£	£
	Ordinary interim paid	206,747	-
		<u> </u>	<u> </u>

ROYLE RECRUITMENT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

7 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2004 & at 31 March 2005	21,000
Amortisation	
At 1 April 2004	14,962
Charge for the year	1,050
At 31 March 2005	16,012
Net book value	
At 31 March 2005	4,988
At 31 March 2004	6,038

ROYLE RECRUITMENT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

8 Tangible fixed assets

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost			
At 1 April 2004	96,485	52,982	149,467
Additions	10,605	34,324	44,929
Disposals	-	(80,909)	(80,909)
At 31 March 2005	107,090	6,397	113,487
Depreciation			
At 1 April 2004	59,623	30,631	90,254
On disposals	-	(26,933)	(26,933)
Charge for the year	7,121	675	7,796
At 31 March 2005	66,744	4,373	71,117
Net book value			
At 31 March 2005	40,346	2,024	42,370
At 31 March 2004	36,862	22,351	59,213

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 31 March 2005	-
At 31 March 2004	19,653
Depreciation charge for the year	
At 31 March 2005	-
At 31 March 2004	6,551

ROYLE RECRUITMENT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

9 Debtors	2005 £	2004 £
Trade debtors	1,322,661	1,774,189
Other debtors	28,226	42,498
Prepayments and accrued income	-	24,635
	<u>1,350,887</u>	<u>1,841,322</u>

Included within other debtors are amounts outstanding from Mr R M Craven of £172 (2004:£172) and Mrs A N Craven of £858 (2004:£172).

10 Creditors: amounts falling due within one year	2005 £	2004 £
Bank loans and overdrafts	-	105,997
Net obligations under hire purchase contracts	6,667	9,500
Trade creditors	636,629	718,771
Corporation tax	15,620	33,612
Accruals and deferred income	360,358	479,510
	<u>1,019,274</u>	<u>1,347,390</u>

Taxation and social security included in the above totals £968,281 (2004:£445,529)

11 Creditors: amounts falling due after more than one year	2005 £	2004 £
Net obligations under hire purchase contracts	<u>9,009</u>	<u>-</u>
Net obligations under hire purchase contracts		
Repayable within one year	6,667	9,500
Repayable between one and five years	9,009	-
	<u>15,676</u>	<u>9,500</u>
Included in liabilities falling due within one year	<u>(6,667)</u>	<u>(9,500)</u>
	<u>9,009</u>	<u>-</u>

ROYLE RECRUITMENT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

12 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 April 2004	1,698
Profit and loss account	2,254
	<hr/>
Balance at 31 March 2005	3,952
	<hr/>

The deferred tax liability is made up as follows:

	2005 £	2004 £
Accelerated capital allowances	3,952	1,698
	<hr/>	<hr/>

13 Pension costs

Defined contribution

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, Scottish Widows, Mr J Craven of Royle Recruitment Limited and Mrs L G Aston of Royle Recruitment Limited.

The total pension cost charge for the period in these accounts amounted to £113,500 (2004£ 25,000).

There were no prepaid contributions.

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 pension charge included in these accounts amounts to £- (2004£ -).

There were no prepaid contributions.

	2005 £	2004 £
Contributions payable by the company for the year	119,005	30,505
	<hr/>	<hr/>

ROYLE RECRUITMENT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

14 Share capital	2005 £	2004 £
Authorised		
50,980 Ordinary of £1 each	50,980	50,980
20 Ordinary 'B' of £1 each	20	20
	<u>51,000</u>	<u>51,000</u>
 Allotted, called up and fully paid		
21,937 Ordinary of £1 each	21,937	21,937
20 Ordinary 'B' of £1 each	20	-
	<u>21,957</u>	<u>21,937</u>

During the year 20 ordinary 'B' shares of £1 each were allotted and fully paid at par.

15 Statement of movements on reserves	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2004	3,063	533,731
Retained loss for the year	-	(143,698)
Balance at 31 March 2005	<u>3,063</u>	<u>390,033</u>
 Other reserves		
Capital redemption reserve		
Balance at 1 April 2004 & at 31 March 2005	<u>3,063</u>	

ROYLE RECRUITMENT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

16 Reconciliation of movements in shareholders' funds	2005 £	2004 £
Profit for the financial year	63,049	138,282
Dividends	(206,747)	-
	<u>(143,698)</u>	<u>138,282</u>
Proceeds from issue of shares	20	-
	<u>(143,678)</u>	<u>138,282</u>
Net (depletion in)/addition to shareholders' funds	(143,678)	138,282
Opening shareholders' funds	558,731	420,449
	<u>415,053</u>	<u>558,731</u>
Closing shareholders' funds	<u>415,053</u>	<u>558,731</u>

17 Contingent liabilities

The company had no contingent liabilities as at 31 March 2005 (2004 : £Nil).

18 Financial commitments

At 31 March 2005 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2006:

	Land and buildings		Other	
	2005 £	2004 £	2005 £	2004 £
Operating leases which expire:				
Within one year	-	-	2,959	-
Between two and five years	16,312	16,312	-	2,959
	<u>16,312</u>	<u>16,312</u>	<u>2,959</u>	<u>2,959</u>

ROYLE RECRUITMENT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

19 Directors' emoluments	2005 £	2004 £
Emoluments for qualifying services	206,996	201,725
Company pension contributions to money purchase schemes	113,500	25,000
	<u>320,496</u>	<u>226,725</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2004 - 2).

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

Emoluments for qualifying services	<u>105,643</u>	<u>103,002</u>
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20 Transactions with directors

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 £113,500 (2004:£25,000)

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 2005 was £11,408 (2004:£11,408). Interest is payable on this loan at a rate of 3% above HSBC Bank base rate. The total interest paid was £- (2004:£-).

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

ROYLE RECRUITMENT LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

21 Employees

Number of employees

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

2005 Number	2004 Number
268	261

Employment costs

	2005 £	2004 £
Wages and salaries	9,331,159	8,725,622
Social security costs	864,532	504,540
Other pension costs	119,005	30,505
	<u>10,314,696</u>	<u>9,260,667</u>