Registration number 02614883

Austin Benn Consultants Limited

Directors' Report and Financial Statements

for the 52 week period ended 28 December 2012

Austin Benn Consultants Limited

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Austin Benn Consultants Limited

Company Information

Directors	A J Burchall R J Watson
Company secretary	R J Watson
Registered office	800 The Boulevard Capability Green Luton Bedfordshire LU1 3BA
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP
Independent Auditors	PricewaterhouseCoopers LLP 10 Bricket Road St Albans Hertfordshire AL1 3JX

Austin Benn Consultants Limited

Directors' Report for the 52 week period ended 28 December 2012

The directors present their report and the audited financial statements of the company for the 52 week period ended 28 December 2012

Directors of the company
The directors of the company who were in office during the period and up to the date of signing the financial statements were

A J Burchall

R J Watson

Principal activity
The principal activity of the company is that of the provision of permanent placements in the sales and marketing field to a variety of vertical markets

Business review

	2012	2011	Change
	£ 000	£ 000	%
Turnover	2,026	2,503	(19 1)
Gross Profit	832	961	(13 4)
Administrative expenses	664	826	(19 6)
Earnings before interest and tax	168	135	24 4
Gross profit percentage (%)	41 1	38 4	
EBITDA return on sales (%)	8 4	5 5	
Conversion rate (%) (EBIT to Gross profit)	20 2	14 0	
Permanent fees % GP	79 6	74 2	

The company is pleased to report a third sucessive year of profits growth, despite trading in a difficult market Despite a 19% reduction in turnover the company has actively managed direct and administrative costs enabling the business to increase operating profit by 24%

In order to strengthen the balance sheet on 31 August 2012 the share capital of the company was increased by £700,000 through the issue of 700,000 Ordinary £1 shares at par

The directors of the business are confident that performance will be maintained in 2013

Insurance
Impellam Group plc ("the Group"), of which the company is a member, maintains a comprehensive insurance programme with a number of reputable third party underwriters These insurance policies are reviewed annually to ensure that there is adequate cover for insurable risks and that the terms of those policies are optimised

Principal risks and uncertainties
The principal risks and uncertainties of the group, which include those of the company, are discussed in the Finance Report in the group's annual report which does not form part of this report The group's business and financial risks are managed at a group level, rather than at an individual company level For this reason, the company's directors believe that a discussion of the group's risks would not be appropriate for an understanding of the development, performance or position of the company

Regulatory environment
The provision of staffing services requires an increasing number of checks for both legislation and client contractual arrangements, these can vary widely by sector and geography Such compliance requirements are constantly changing with new legislation being introduced and new or revised contracts being negotiated The "Agency Workers Directive" enacted in the UK in October 2011 is one example of such new legislation that will require additional record keeping, increase the costs associated with the employment of temporary workers and may, therefore, impact on profitability Not only is there a potential to directly impact profitability, but failure to meet these requirements could lead to legal, financial and reputational consequences

The company takes its responsibilities seriously, is committed to meeting all of its regulatory responsibilities and regularly reviews its policies, processes and systems to reflect best practice All employees are informed and trained on any new requirements as they become necessary, all new employees receive training on all relevant operating standards and there is a team of compliance officers who regularly conduct spot checks to ensure standards are being maintained

Technology systems
The company is reliant on a number of technology systems in providing its services to clients and in sourcing and communicating with candidates and staff These systems are located both in-house and in various data centres These systems are vulnerable to matters beyond the Group's control, such as natural disasters and power or telecommunications failures Also, the systems could be vulnerable to improper or negligent operation by employees or from unauthorised access

The business continues to develop and enhance controls, the associated disaster recovery systems, including physically separate disaster recovery sites, and other areas to improve its ability to cope with the loss or disruption of a technology system as a result of any such event In addition, data protection is a key priority and specific contractual provisions exist to ensure safety and security of confidential data

Donations
There were no charitable or political donations made by the company in either 2012 or 2011

Employment of disabled persons
Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees

Employee involvement
The company recognises that it is essential to maintain a highly skilled workforce To this end the policy of training and development is incorporated in the company plan It is the policy to promote from within the organisation wherever the possibility exists

Health and safety measures are given particular attention by the directors and a written policy exists and is known throughout the company

The company recognises the need for employees to be informed of the company's activities and performance A corporate intranet for all employees provides a wide range of information and provides an increasingly important communication tool for policies and procedures as well as the sharing of information, document storage and specific news Meetings are held between management and employees to allow sharing of information and consultation Employees participate directly in the performance of the business through the Company's bonus arrangements

Supplier payment policy
The company's policy, which is also applied by the group of which the company is a member, is to settle terms of payment with suppliers when agreeing the terms of each transaction and to ensure that suppliers are made aware of the terms of payment The company abides by the terms of payment The company's trade creditors are settled by another group company

Directors' liabilities

During the period and to the date of these financial statements, the Group had in force an indemnity provision in favour of one or more Directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of

Reappointment of auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and so are deemed to be reappointed under section 487(2) of the Companies Act 2006

Approved by the Board on 28 March 2013 and signed on its behalf by

A J Burchall
Director

Austin Benn Consultants Limited

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 period Under that law the directors have prepared 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Austin Benn Consultants Limited

Independent Auditors' Report

We have audited the financial statements of Austin Benn Consultants Limited for the 52 week period ended 28 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 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)

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), 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

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

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 Directors' Report and financial statements to identify material inconsistencies with the audited financial statements 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 28 December 2012 and of its profit for the period 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 the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements

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

Stephen Mount (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans

28 March 2013

Austin Benn Consultants Limited

Profit and Loss Account for the 52 week period ended 28 December 2012

	Note	2012 £ 000	2011 £ 000
Turnover	2	2,026	2,503
Cost of sales		(1,194)	(1,542)
Gross profit		832	961
Administrative expenses		(664)	(826)
Operating profit	3	168	135
Interest payable and similar charges	7	-	(11)
Profit on ordinary activities before taxation		168	124
Tax on profit on ordinary activities	8	87	2
Profit for the financial period	14	255	126

Turnover and operating profit for the current and prior periods derive wholly from continuing operations

The company has no recognised gains or losses for the current and prior periods other than the results above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the period stated above and their historical cost equivalents for the current and prior periods

Austin Benn Consultants Limited

Registration number: 02614883

Balance Sheet as at 28 December 2012

	Note	2012 £ 000	2011 £ 000
Fixed assets			
Tangible assets	9	7	4
Current assets			
Debtors	10	885	282
Cash at bank and in hand		291	106
		1,176	388
Creditors Amounts falling due within one year	11	(882)	(1,046)
Net current assets/(liabilities)		294	(658)
Total assets less current liabilities		301	(654)
Creditors Amounts falling due after more than one year	12	(195)	(195)
Net assets/(liabilities)		106	(849)
Capital and reserves			
Called up share capital	13	700	-
Profit and loss account	14	(594)	(849)
Total shareholders' funds/(deficit)	15	106	(849)

The financial statements on pages 7 to 16 were approved by the Board on 28 March 2013 and signed on its behalf by

A J Burchall
Director

Austin Benn Consultants Limited

Notes to the Financial Statements for the 52 week period ended 28 December 2012

1 Accounting policies

Basis of preparation
The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable UK accounting standards and the Companies Act 2006 The principal accounting policies have been applied consistently during the period and are set out below

Exemption from preparing a cash flow statement
The company has taken advantage of the exemption under FRS 1 (Revised 1996) 'Cash flow Statements' not to publish a cash flow as its ultimate parent, Impellam Group plc, a company incorporated in the United Kingdom, has prepared consolidated financial statements which are publicly available

Significant accounting judgements
In applying the company's accounting policies the following judgements have been made that may have a significant effect on the amounts recognised in the financial statements

Recoverability of debtors
The company determines whether debtors are impaired if events or changes in circumstances indicate that the carrying value may not be recoverable at least on an annual basis

Turnover
Turnover, which is stated exclusive of value added tax, comprises amounts receivable for employment services, net of rebates and discounts provided The nature of the company's activities is such that revenue is recognised when a written agreement, terms and conditions or an approved customer order is in place and the services have been fully rendered Revenue is recognised and accrued by reference to hours worked in accordance with approved and submitted weekly timesheets and agreed charge rates The company's procedures require review of a customer's ability to pay prior to a service provision, at the time of such provision, and at the time of billing, such that collectability is reasonably assured

Tangible assets and depreciation
Tangible fixed assets are stated at cost or valuation, less depreciation and any provision for impairment Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Asset class	**Depreciation method and rate**
Fixtures and fittings	between 3 and 10 years

Taxation
Current tax is recognised at the amounts estimated to be payable or recoverable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax assets and liabilities are recognised, subject to certain exceptions, in respect of all material timing differences between the recognition of gains and losses in the financial statements and for tax purposes Those timing differences recognised may include accelerated capital allowances, unrelieved tax losses and short term timing differences Timing differences not recognised include those relating to the revaluation of fixed assets in the absence of a commitment to sell the revalued assets and the gain on sale of assets rolled over into replacement assets in the absence of a commitment to sell the replacement assets

Deferred tax assets are recognised to the extent that they are regarded as recoverable They are regarded as recoverable to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is calculated on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

.... continued

Foreign currency
Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account

Hire purchase and leasing
Rentals payable under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged in the profit and loss account on a straight line basis over the lease term

Financial instruments
Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments 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 financial liabilities are recorded at fair value on the transaction date, on the company's balance sheet when the company has become a party to the contractual provisions of the instrument and derecognised when this is no longer the case

Pensions
The company operates a defined contribution pension scheme Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme

Capital instruments
Shares are included in shareholders' funds Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds The finance cost recognised in the profit and loss account in respect of capital instruments other than equity shares is allocated to periods over the term of the instrument at a constant rate on the carrying amount

Provisions
Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost

2 Turnover

The turnover of the company arises wholly from activities undertaken within the United Kingdom

3 Operating profit

Operating profit is stated after charging

	2012 £ 000	2011 £ 000
Auditors' remuneration	1	1
Depreciation of owned assets	2	2

.... continued

4 Auditors' remuneration

	2012 £ 000	2011 £ 000
Audit of the financial statements	1	1

5 Particulars of employees

The monthly average number of persons employed by the company (including directors) during the period, analysed by category was as follows

	2012 Number	2011 Number
Administration and support	2	2
Other departments	13	10
	15	12

The aggregate payroll costs were as follows

	2012 £ 000	2011 £ 000
Wages, salaries and bonuses	497	470
Social security costs	63	59
Staff pensions	7	5
	567	534

6 Directors' remuneration

The emoluments of the directors are paid by the ultimate parent company, or by another group company The directors' services to this company are of a non-executive nature and are deemed to be attributable to services to the remunerating company Accordingly, the directors received no remuneration for services to the company in the period (2011 £nil)

7 Interest payable and similar charges

	2012 £ 000	2011 £ 000
Other interest payable	-	11

.... continued

8 Tax on profit on ordinary activities

	2012 £ 000	2011 £ 000
Current tax		
Group relief receivable	-	(2)
Total current tax	-	(2)
Deferred tax		
Origination and reversal of timing differences (note 10)	35	-
Recognition of assets not previously recognised (note 10)	(122)	-
Total deferred tax	(87)	-
Total tax on profit on ordinary activities	(87)	(2)

Factors affecting current tax charge for the period

The effective current tax rate on the profit on ordinary activities before tax is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 24 5% (2011 - 26 5%) and can be reconciled to the standard rate as follows

	2012 %	2011 %
Standard rate of tax	24 5	26 5
Transfer pricing adjustments (see below)	(7 8)	(9 2)
Other permanently disallowable/taxable items	0 8	0 4
Utilisation of losses brought forward	(7 8)	-
Group relief surrendered for payment at more than the standard rate of tax	-	(0 1)
Depreciation and similar charges in excess of capital allowances	(9 7)	(19 2)
Effective current tax rate	-	(1 6)

Unrecognised assets relating to deferred capital allowances will be recovered in due course if the company makes sufficient taxable profits and the depreciation charges no longer exceed the tax allowances available on the relevant assets The amount not recognised at the period end was £nil (2011 - £92,000)

Unrecognised assets relating to losses are recoverable in the event of the company making sufficient taxable profits of the right type They may be subject to legislation restricting the right to offset them The amount not recognised at the period end was £nil (2011 - £41,000)

UK legislation requires, in broad terms, that most transactions between connected parties be at an arm's length price for tax purposes (commonly known as 'transfer pricing') As a result, this company must make an adjustment for deemed net interest on intercompany balances that has not been recognised in the financial statements

Under Finance Act 2012, the standard rate of tax has been reduced to 23% with effect from 1 April 2013 It is expected that this will be further reduced with effect from 1 April 2014, but this proposed change had not been substantively enacted at the balance sheet date and, therefore, is not included in these financial statements

Austin Benn Consultants Limited

Notes to the Financial Statements for the 52 week period ended 28 December 2012

.... continued

9 Tangible assets

	Fixtures and fittings £ 000
Cost or valuation	
At 31 December 2011	12
Additions	5
Disposals	(6)
At 28 December 2012	11
Accumulated Depreciation	
At 31 December 2011	8
Charge for the period	2
Eliminated on disposals	(6)
At 28 December 2012	4
Net book value	
At 28 December 2012	7
At 30 December 2011	4

10 Debtors

	2012 £ 000	2011 £ 000
Trade debtors	71	35
Deferred tax	87	-
Amounts owed by group undertakings	713	227
Prepayments and accrued income	14	20
	885	282

Amounts owed by group undertakings are interest free, unsecured and repayable on demand

Deferred tax
The movement in the deferred tax asset in the period is as follows

	£ 000
At 31 December 2011	-
Deferred tax credited to the profit and loss account (note 8)	87
At 28 December 2012	87

.... continued

Analysis of deferred tax

	2012 £ 000	2011 £ 000
Difference between accumulated depreciation and amortisation and capital allowances	69	-
Tax losses available	18	-
	87	-

11 Creditors Amounts falling due within one year

	2012 £ 000	2011 £ 000
Amounts owed to group undertakings	789	891
Other taxes and social security	39	109
Other creditors	54	46
	882	1,046

Amounts owed to group undertakings are interest free, unsecured and repayable on demand

12 Creditors: Amounts falling due after more than one year

	2012 £ 000	2011 £ 000
Amounts owed to group undertakings	195	195

Amounts owed to group undertakings are interest free, unsecured and repayable on demand

13 Called up share capital

Allotted, called up and fully paid shares

	2012		2011	
	Number	£	Number	£
Ordinary shares of £1 each	700,002	700,002	2	2

New shares allotted
During the period 700,000 Ordinary £1 shares having an aggregate nominal value of £700,000 were allotted for an aggregate consideration of £700,000

.... continued

14 Profit and loss account

	£ 000
At 31 December 2011	(849)
Profit for the financial period	255
At 28 December 2012	(594)

15 Reconciliation of movements in shareholders' funds

	2012 £ 000	2011 £ 000
Profit for the financial period	255	126
New share capital subscribed	700	-
Net addition to shareholders' funds	955	126
Shareholders' deficit at start of period	(849)	(975)
Shareholders' funds/(deficit) at end of period	106	(849)

16 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £7,000 (2011 - £5,000)

Contributions totalling £nil (2011 - £nil) were payable to the scheme at the end of the period and are included in creditors

17 Contingent liabilities

The company has given cross guarantees as part of the invoice discounting facility of the Group of which the company is a member, a net aggregate amount of £20,954,810 was drawn down by other group companies as at 28 December 2012 (2011 £20,476,447)

18 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the Group

.... *continued*

19 Control

The company's immediate parent undertaking is Blue Arrow Holdings Limited, a company incorporated in England and Wales

The directors regard Impellam Group plc, a company incorporated in Great Britain, as the ultimate parent undertaking This is also the parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared Copies of the group financial statements of Impellam Group plc will be delivered to, and be available from, the Registrar of Companies, Companies Registration Office, Crown Way, Maindy, Cardiff, CF14 3UZ

At 28 December 2012, the Lombard Trust was interested in and controlled 58 7% of Impellam Group plc