

# **Carlisle Staffing Services Limited**

## **Report and financial statements for the year ended 31 March 2005**

Registered No. 2849488



# **Carlisle Staffing Services Limited**

## **Report and financial statements for the year ended 31 March 2005**

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# **Carlisle Staffing Services Limited**

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## **Company information**

### **Registered office**

St Florian House  
Milton Road  
Wokingham  
Berkshire  
RG40 1EN

### **Directors**

R J Bradford  
J W Coates  
I G Robinson

### **Company secretary**

I G Robinson

### **Auditors**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RH

**Report of the directors  
for the year ended 31 March 2005**

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

**Review of the business**

The principal activity of the company is that of an investment holding company.

Both the level of business and year end financial position were generally considered to be satisfactory.

**Results and dividends**

The retained loss for the financial year amounted to £1,227,000 (2004: £1,486,000) which has been transferred from reserves. The directors do not recommend the payment of a dividend.

**Directors**

The following have served as directors during the year:

R J Bradford  
J W Coates (appointed 23 April 2004)  
I G Robinson

During the year under review no director had any beneficial interest in the share capital of the company.

Under Statutory Instrument No. 802 made under the authority of Section 324(3) of the Companies Act 1985, the directors' interests in the share capital of the ultimate parent undertaking need not be disclosed.

**Report of the directors  
for the year ended 31 March 2005 (continued)**

**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 at the end of the financial year, and of the profit and loss for that year. In preparing those financial statements, the directors are required to:

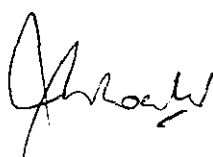
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare 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.

**Auditors**

PricewaterhouseCoopers LLP continue in office as, in accordance with Section 386 of the Companies Act 1985, the company has made an elective resolution to dispense holding an annual general meeting.

**By order of the board**



J W Coates  
Director

7 July 2005

# **Independent auditors' report to the members of Carlisle Staffing Services Limited**

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We have audited the financial statements which comprise the profit and loss account, balance sheet and related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of principal accounting policies.

## **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

## **Basis of audit opinion**

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# **Independent auditors' report to the members of Carlisle Staffing Services Limited (continued)**

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## **Opinion**

In our opinion the financial statements give a true and fair view of the state the company's affairs at 31 March 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'PwC LLP', is written over the printed name of the firm.

**PricewaterhouseCoopers LLP**

Chartered Accountants and Registered Auditors  
London

7 July 2005

**Profit and loss account  
for the year ended 31 March 2005**

	Notes	2005 £'000	2004 £'000
Dividend received from subsidiary undertaking		168	-
Interest receivable and similar income	2	272	199
Interest payable and similar charges	3	<u>(2,265)</u>	<u>(2,323)</u>
<b>Loss on ordinary activities before taxation</b>	4	<b>(1,825)</b>	<b>(2,124)</b>
Tax on loss on ordinary activities	5	598	638
<b>Retained loss for the financial year</b>	10	<b><u>(1,227)</u></b>	<b><u>(1,486)</u></b>

All amounts relate to continuing activities.

No statement of recognised gains and losses is required as there are no recognised gains or losses other than the results detailed above.

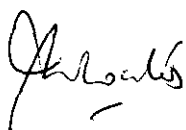
There is no difference between the results reported above and the equivalent results calculated on an unmodified historical cost basis.



## Balance sheet as at 31 March 2005

	Notes	2005 £'000	2004 £'000
<b>Fixed assets</b>			
Investments	6	<u>41,154</u>	<u>41,154</u>
<b>Current assets</b>			
Debtors	7	15,236	14,794
Cash at bank and in hand		<u>5</u>	<u>-</u>
		15,241	14,794
<b>Creditors: amounts falling due within one year</b>	8	<u>(50,604)</u>	<u>(48,930)</u>
<b>Net current liabilities</b>		<u>(35,363)</u>	<u>(34,136)</u>
<b>Net assets</b>		<u>5,791</u>	<u>7,018</u>
<b>Capital and reserves</b>			
Called up share capital	9	6,000	6,000
Share premium account	10	2,000	2,000
Profit and loss account – (deficit)	10	<u>(2,209)</u>	<u>(982)</u>
<b>Equity shareholders' funds</b>	11	<u>5,791</u>	<u>7,018</u>

The financial statements on pages 6 to 13 were approved by the board of directors on 7 July 2005 and were signed on its behalf by:



J W Coates

Director

## **Notes to the financial statements for the year ended 31 March 2005**

### **1 Principal accounting policies**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and the provisions of the Companies Act 1985, and on the basis of continuing financial support from group undertakings.

The company is exempt under Section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it is included in the consolidated financial statements of Carlisle Staffing Services Holdings Limited.

#### **Fixed assets investments**

Fixed asset investments are stated at cost less any provision required for any impairment in value.

#### **Foreign currencies**

Exchange differences arising on foreign currency transactions and balances are dealt with through the profit and loss account.

#### **Cash flow statement**

In accordance with FRS 1 (Revised) the company has not prepared a statement of cash flows for the current year as it is a wholly owned subsidiary of Carlisle Holdings Limited, who publishes consolidated financial statements which include a consolidated cash flow statement.

**Notes to the financial statements  
for the year ended 31 March 2005 (continued)**

**2 Interest receivable and similar income**

	2005 £'000	2004 £'000
Intercompany interest receivable	212	199
Foreign exchange gain on intercompany balances	60	-
	<u>272</u>	<u>199</u>

**3 Interest payable and similar charges**

	2005 £'000	2004 £'000
Intercompany interest payable	2,265	2,264
Foreign exchange loss on intercompany balances	-	59
	<u>2,265</u>	<u>2,323</u>

**4 Loss on ordinary activities before taxation**

The directors received no remuneration from the company during the period. The auditors' remuneration for the current year and prior year was borne by Carlisle Staffing plc.

**5 Tax on loss on ordinary activities**

	2005 £'000	2004 £'000
Group relief receivable in respect of current year	(598)	(638)
	<u>(598)</u>	<u>(638)</u>
	2005 £'000	2004 £'000
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	(548)	(638)
Dividend received not subject to UK tax	(50)	-
Current tax charge for the year	<u>(598)</u>	<u>(638)</u>

**Notes to the financial statements  
for the year ended 31 March 2005 (continued)**

**6 Fixed asset investments**

	Interest in group undertakings £'000
31 March 2004 and 31 March 2005	<u>41,154</u>

The list of principal subsidiary undertakings at 31 March 2005 is as follows:

Name of subsidiary	Country of incorporation or registration	Principal activity
Carlisle Staffing plc	England and Wales	Employment services
Carlisle Staffing Services Ireland Limited	Republic of Ireland	Holding company
Abacus Recruitment (Holdings) Limited	England and Wales	Non-trading
Abacus Recruitment Limited	England and Wales	Non-trading
Agency Cover Limited	England and Wales	Non-trading
Aspillo Limited	England and Wales	Non-trading
Barker Personnel Services Limited	England and Wales	Non-trading
Carlisle Managed Solutions Limited	England and Wales	Non-trading
Celsian Group Limited	England and Wales	Non-trading
Centre Point Group Limited	England and Wales	Non-trading
First Call Educational Services Limited	England and Wales	Non-trading
Quadrant Staffing Services Limited	England and Wales	Non-trading
Recruit Limited	England and Wales	Non-trading
Spark Recruitment Limited	England and Wales	Non-trading
Stirling Recruitment Group Limited	England and Wales	Non-trading
Tate Services (BVI) Limited	British Virgin Islands	Non-trading
Unicare Services Limited	England and Wales	Non-trading

Unless otherwise stated (a) all companies are incorporated and operating in Great Britain and registered in England and Wales; and (b) the proportion of the nominal value of shares and the voting rights held by the company comprises 100 percent.

**Notes to the financial statements  
for the year ended 31 March 2005 (continued)**

**7 Debtors**

	2005 £'000	2004 £'000
Amounts falling due within one year		
Amounts owed by group undertakings	15,236	14,794
	<u>15,236</u>	<u>14,794</u>

**8 Creditors: amounts falling due within one year**

	2005 £'000	2004 £'000
Bank overdraft (secured)	-	281
Amounts owed to group undertakings	50,604	48,649
	<u>50,604</u>	<u>48,930</u>

**9 Called up share capital**

	2005 £'000	2004 £'000
<b>Authorised</b>		
Equity: 6,000,000 ordinary shares of £1 each	6,000	6,000
Non-equity: 666,667 7½% cumulative redeemable convertible preference shares of £1 each	667	667
	<u>6,667</u>	<u>6,667</u>
<b>Allotted, called up and fully paid</b>		
Equity: 6,000,000 ordinary shares of £1 each	<u>6,000</u>	<u>6,000</u>

**Notes to the financial statements  
for the year ended 31 March 2005 (continued)**

**10 Reserves**

	Share premium account £'000	Profit and loss account £'000
At 1 April 2004	2,000	(982)
Retained loss for the financial year	-	(1,227)
At 31 March 2005	<u>2,000</u>	<u>(2,209)</u>

**11 Reconciliation of movements in equity shareholders' funds**

	2005 £'000	2004 £'000
Loss for the financial year	(1,227)	(1,486)
Shareholders' funds at beginning of year	7,018	8,504
Shareholders' funds at end of year	<u>5,791</u>	<u>7,018</u>

**12 Related party transactions**

The company has taken advantage of the exemption within Financial Reporting Standard 8 not to disclose transactions with other group companies.

**13 Contingencies**

An unlimited composite banking guarantee exists between the company and various fellow group undertakings in respect of banking facilities provided to the group in the UK.

At 31 March 2005, under the company's standard banking arrangements, certain bonds, guarantees and indemnities, in the ordinary course of business, have been issued by the banks on behalf of the company to the value of approximately £250,000.

**Notes to the financial statements  
for the year ended 31 March 2005 (continued)**

**14 Ultimate parent undertaking**

The company's immediate parent undertaking is Carlisle Staffing Services Holdings Limited.

As at 31 March 2005, the *smallest group in which the company is consolidated* was Carlisle Staffing Services Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of the consolidated financial statements of Carlisle Staffing Services Holdings Limited can be obtained from its registered office at St Florian House, Milton Road, Wokingham, Berkshire RG40 1EN.

As at 31 March 2005, the company's ultimate parent undertaking was Carlisle Holdings Limited, a company registered in Belize. Lord Ashcroft, KCMG beneficially owned and controlled 70.5 percent of Carlisle Holdings Limited. Copies of the consolidated financial statements of Carlisle Holdings Limited can be obtained from its registered office at 60 Market Square, Belize City, Belize, Central America.