

**A24 GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

**Company Registration Number 3262419**

**A24 GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

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<b>CONTENTS</b>	<b>PAGES</b>
Officers and professional advisers	<b>1</b>
The directors' report	<b>2 to 3</b>
Independent auditor's report to the members	<b>4 to 5</b>
Group profit and loss account profit and loss account	<b>6</b>
Group statement of total recognised gains and losses	<b>7</b>
Group balance sheet	<b>8</b>
Balance sheet	<b>9</b>
Group cash flow cash flow statement	<b>10</b>
Notes to the financial statements	<b>11 to 22</b>

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**A24 GROUP LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**  
**YEAR ENDED 30 JUNE 2012**

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<b>The board of directors</b>	C Rees P Streeter P Rea
<b>Company secretary</b>	N Patel
<b>Business address</b>	92-96 Lind Road Sutton, Surrey SM1 4PL
<b>Registered office</b>	92-96 Lind Road Sutton, Surrey SM1 4PL
<b>Auditor</b>	RSM Tenon Audit Limited 66 Chiltern Street London W1U 4JT

**A24 GROUP LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 30 JUNE 2012**

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The directors present their report and the financial statements of the group for the year ended 30 June 2012

**Principal activities and business review**

The principal activity of the company during the year continued to be that of healthcare staffing

**Results and dividends**

The profit for the year, after taxation, amounted to £4,836,955. Particulars of dividends paid are detailed in note 9 to the financial statements.

The increase in turnover and administration expenses and the reduction in margin represents the combined impact of acquisitions made and challenging market conditions. Overall results are in line with the directors' expectations. In line with other businesses operating in the markets in which the business operates, there remains the commercial risk which surrounds the issue of lack of visibility of earnings in that future demand for agency staff is difficult to predict. The directors continue to look at key performance indicators such as hours sold and margins achieved whilst at the same time aiming to actively manage costs and preserve liquidity. Given the nature of the business, the Group's directors are of the opinion that further analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

The directors are aware of the importance of cash flow and treasury management with the result that great emphasis is placed on this. The directors feel that available data does not allow for meaningful comments on the market share of the business.

The Group's principal financial instruments comprise bank balances and trade debtors. The main purpose of these instruments is to raise funds for the Group and to finance its operations. Due to the nature of the financial instruments used by the Group, there is no exposure to price risk.

The directors believe that the Group is well placed to achieve its growth targets which include the maintenance of gross margins and positive cash flows.

**Directors**

The directors who served the company during the year were as follows:

C Rees  
P Streeter  
P Rea

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

**A24 GROUP LIMITED**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 30 JUNE 2012**

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- 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 group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the directors are, individually, aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

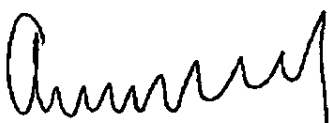
**Disabled employees**

The group is an equal opportunities employer and, as such, is committed to employment opportunities for disabled persons

**Employee involvement**

The group's policy is to consult, as far as is practicable, with employees on matters likely to affect employees' interests

Signed on behalf of the directors



C Rees

Director

Approved by the directors on ... .. 21 March 2012

**A24 GROUP LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A24**  
**GROUP LIMITED**  
**YEAR ENDED 30 JUNE 2012**

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We have audited the group and parent company financial statements ("the financial statements") of A24 Group Limited for the year ended 30 June 2012 on pages 6 to 22. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, 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.

**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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report 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 group's and parent company's affairs as at 30 June 2012 and of the group's profit for the year 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 matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**A24 GROUP LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A24  
GROUP LIMITED *(continued)***

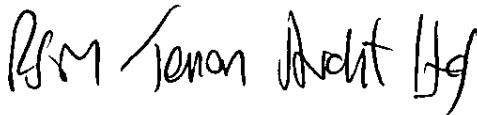
**YEAR ENDED 30 JUNE 2012**

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**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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Tony Castagnetti, Senior Statutory Auditor  
For and on behalf of

RSM Tenon Audit Limited  
Statutory Auditor  
66 Chiltern Street  
London  
W1U 4JT

27/3/2013

**A24 GROUP LIMITED**  
**GROUP PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 JUNE 2012**

	Note	2012 £	2011 £
<b>Group turnover</b>	2	56,576,852	68,273,942
Cost of sales		(41,463,800)	(50,584,874)
<b>Gross profit</b>		<u>15,113,052</u>	<u>17,689,068</u>
Administrative expenses		(8,844,310)	(12,809,186)
<b>Operating profit</b>	3	<u>6,268,742</u>	<u>4,879,882</u>
Interest receivable		127,780	115,381
Interest payable and similar charges	6	(91,799)	–
<b>Profit on ordinary activities before taxation</b>		<u>6,304,723</u>	<u>4,995,263</u>
Tax on profit on ordinary activities	7	(1,467,768)	(1,445,516)
<b>Profit for the financial year</b>	8	<u>4,836,955</u>	<u>3,549,747</u>

All of the activities of the group are classed as continuing

The company has taken advantage of section 408 of the Companies Act 2006  
not to publish its own Profit and Loss Account

The notes on pages 11 to 22 form part of these financial statements



**A24 GROUP LIMITED**  
**GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**YEAR ENDED 30 JUNE 2012**

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	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
Profit for the financial year		
Attributable to the shareholders of the parent company	4,836,955	3,549,747
Unrealised loss on revaluation of certain fixed assets	(39,488)	-
Unrealised loss on revaluation		
Of tangible fixed assets		
Plant & machinery	(16,153)	-
Fixtures & fittings	(19,872)	-
Motor vehicles	18,449	-
	<u>4,779,891</u>	<u>3,549,747</u>
Exchange differences on retranslation of net assets of subsidiary undertakings	(269,171)	(62,045)
Total gains and losses recognised since the last annual report	<u>4,510,720</u>	<u>3,487,702</u>

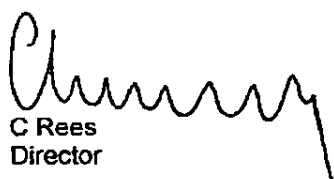
The notes on pages 11 to 22 form part of these financial statements

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**A24 GROUP LIMITED**  
**GROUP BALANCE SHEET**  
**30 JUNE 2012**

	Note	2012 £	£	2011 £	£
<b>Fixed assets</b>					
Intangible assets	10		2,088,391		2,723,566
Tangible assets	11		2,057,252		2,332,387
			<u>4,145,643</u>		<u>5,055,953</u>
<b>Current assets</b>					
Debtors	13	9,009,083		8,065,626	
Cash at bank		16,992,401		14,120,833	
			<u>26,001,484</u>	<u>22,186,459</u>	
<b>Creditors: Amounts falling due within one year</b>	15	<u>(9,803,319)</u>		<u>(10,235,559)</u>	
<b>Net current assets</b>			16,198,165		11,950,900
<b>Total assets less current liabilities</b>			<u>20,343,808</u>		<u>17,006,853</u>
<b>Capital and reserves</b>					
Called-up share capital	19		2		2
Profit and loss account	20		20,343,806		17,006,851
<b>Shareholders' funds</b>	21		<u>20,343,808</u>		<u>17,006,853</u>

These financial statements were approved by the directors and authorised for issue on 21 March 2013 and are signed on their behalf by:

  
C Rees  
Director

The notes on pages 11 to 22 form part of these financial statements

**A24 GROUP LIMITED**  
Registered Number 3262419

**BALANCE SHEET**

**30 JUNE 2012**

	Note	2012 £	£	2011 £	£
<b>Fixed assets</b>					
Tangible assets	11		1,861,098		2,011,639
Investments	12		728,652		728,652
			<u>2,589,750</u>		<u>2,740,291</u>
<b>Current assets</b>					
Debtors	13	8,863,134		7,884,035	
Cash at bank		16,562,810		13,549,620	
		<u>25,425,944</u>		<u>21,433,655</u>	
<b>Creditors: Amounts falling due within one year</b>	15	<u>(10,294,890)</u>		<u>(8,496,523)</u>	
<b>Net current assets</b>			15,131,054		12,937,132
<b>Total assets less current liabilities</b>			<u>17,720,804</u>		<u>15,677,423</u>
<b>Capital and reserves</b>					
Called-up share capital	19		2		2
Profit and loss account	20		17,720,802		15,677,421
<b>Shareholders' funds</b>			<u>17,720,804</u>		<u>15,677,423</u>

These financial statements were approved by the directors and authorised for issue on 21 March 2013 and are signed on their behalf by

  
C Rees  
Director

The notes on pages 11 to 22 form part of these financial statements

**A24 GROUP LIMITED**  
**GROUP CASH FLOW STATEMENT**  
**YEAR ENDED 30 JUNE 2012**

		<b>2012</b>		<b>2011</b>	
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash inflow from operating activities</b>	22		4,100,721		6,011,867
<b>Returns on investments and Servicing of finance</b>					
Interest received		127,780		115,381	
Interest paid		<u>(91,799)</u>		<u>—</u>	
<b>Net cash inflow from returns on investments and servicing of finance</b>			35,981		115,381
<b>Taxation</b>			(1,129,007)		(2,324,554)
<b>Capital expenditure</b>					
Payments to acquire intangible fixed assets		(12,533)		(3,019,101)	
Payments to acquire tangible fixed assets		<u>(204,113)</u>		<u>(560,052)</u>	
Receipts from sale of fixed assets		80,519		281,327	
<b>Net cash outflow from capital expenditure</b>			(136,127)		(3,297,826)
<b>Increase in cash</b>	22		<u>2,871,568</u>		<u>504,868</u>

The notes on pages 11 to 22 form part of these financial statements

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

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**1. Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

**Basis of consolidation**

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 30 June 2012. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

**Turnover**

The turnover shown in the profit and loss account represents amounts receivable for services net of Value Added Tax.

**Goodwill**

Acquired goodwill arising on the acquisition of subsidiary undertakings, representing the difference between the fair value of consideration payable and the fair value of the separable net assets acquired, is capitalised on the balance sheet.

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows:

Goodwill - 5-10 Years Straight Line

**Tangible fixed assets**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Freehold Property	- 2% Straight Line
Plant & Machinery	- 50% Reducing Balance
Fixtures & Fittings	- 25% Reducing Balance
Motor Vehicles	- 25% Reducing Balance

**Operating lease agreements**

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

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

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**1. Accounting policies (continued)**

**Pension costs**

The group operates a defined contribution pension scheme for the benefit of the employees. Contributions payable are charged to the profit and loss account in the year they are payable. The assets of the scheme are held separately from those of the company in an independently administered fund.

**Deferred taxation**

Where material, deferred tax is provided in full, as required by FRS 19 - Deferred Tax, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes.

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

**Foreign currencies**

The financial statements of group companies which report in currencies other than sterling are translated into sterling at the average rate for the relevant period for the profit and loss account and the period end rate for the closing balance sheet. Capital and reserves are translated at historic rates. Differences arising on consolidation of foreign currency financial statements are credited or debited to a foreign exchange reserve within shareholders' equity.

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transactions. Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Non-monetary assets and liabilities. All other exchange gains and losses are dealt with in the profit and loss account in the year in which they arise.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

**2. Turnover**

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below.

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
United Kingdom	50,824,523	61,301,818
South Africa	5,752,329	6,972,124
	<u>56,576,852</u>	<u>68,273,942</u>

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

**3. Operating profit**

Operating profit is stated after charging/(crediting)

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Amortisation of intangible assets	647,708	544,712
Depreciation of owned fixed assets	350,224	521,656
Profit on disposal of fixed assets	(8,559)	(7,237)
Operating lease costs		
-Other	186,834	249,601
Net loss on foreign currency translation	10,442	136,584
Auditor's remuneration - audit of the financial statements	54,516	85,050
Auditor's remuneration - other fees	8,505	-
	<u>2012</u>	<u>2011</u>
	<u>£</u>	<u>£</u>
Auditor's remuneration - audit of the financial statements	54,516	85,050
Auditor's remuneration - other fees		
- Other services 1 (user-defined)	8,505	-

**4. Particulars of employees**

The average number of staff employed by the group during the financial year amounted to

	<b>2012</b>	<b>2011</b>
	<b>No</b>	<b>No</b>
Administration	396	557
Directors	3	3
	<u>399</u>	<u>560</u>

The aggregate payroll costs of the above were

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Wages and salaries	46,015,765	53,546,389
Social security costs	1,050,680	3,396,486
Other pension costs	69,456	64,311
	<u>47,135,901</u>	<u>57,007,186</u>

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

**5. Directors' remuneration**

The directors' aggregate remuneration in respect of qualifying services were

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Remuneration receivable	161,100	198,394
Value of company pension contributions to money purchase schemes	<u>64,219</u>	<u>29,598</u>
	<u><b>225,319</b></u>	<u><b>227,992</b></u>

The number of directors accruing benefits under company pension schemes was as follows

	<b>2012</b>	<b>2011</b>
	<b>No</b>	<b>No</b>
Money purchase schemes	<u>1</u>	<u>1</u>

**6. Interest payable and similar charges**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Other similar charges payable	<u>91,799</u>	<u>-</u>

**7. Taxation on ordinary activities**

**(a) Analysis of charge in the year**

	<b>2012</b>		<b>2011</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>UK taxation</b>				
In respect of the year				
UK Corporation tax based on the results for the year at 26% (2011 - 27.50%)	1,140,072		961,742	
<b>Foreign tax</b>				
Current tax on income for the year	489,753		580,137	
Adjustments in respect of prior periods	<u>-</u>		<u>16,319</u>	
	<u>489,753</u>		<u>596,456</u>	
	<u><b>1,629,825</b></u>		<u><b>1,558,198</b></u>	
<b>Deferred tax</b>				
Origination and reversal of timing differences	<u>(162,057)</u>		<u>(112,682)</u>	
Total deferred tax (note 14)	<u>(162,057)</u>		<u>(112,682)</u>	
Tax on profit on ordinary activities	<u><b>1,467,768</b></u>		<u><b>1,445,516</b></u>	



**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

**7. Taxation on ordinary activities (continued)**

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 26% (2011 - 27.50%)

	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
Profit on ordinary activities before taxation	<u>6,304,723</u>	<u>4,995,263</u>
Profit on ordinary activities by rate of tax	1,639,228	1,373,697
Effects of		
Expenses not deductible for tax purposes	-	20,053
Capital allowances for period in excess of depreciation	(277,421)	(103,142)
Foreign tax adjustments	1,055,104	434,334
Double tax relief	(188,692)	(308,209)
Other tax adjustments	(948,618)	(1,990)
Depreciation add back	<u>350,224</u>	<u>143,455</u>
Total current tax (note 7(a))	<u>1,629,825</u>	<u>1,558,198</u>

**8. Profit attributable to members of the parent company**

The profit dealt with in the financial statements of the parent company was £3,543,381 (2011 - £3,978,787)

**9. Dividends**

**Equity dividends**

	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
Paid during the year		
Dividends on equity shares type 3 (code 4075B)	<u>1,500,000</u>	<u>-</u>

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

**10. Intangible fixed assets**

<b>Group</b>	<b>Goodwill £</b>
<b>Cost</b>	
At 1 July 2011	3,477,850
Additions	12,533
At 30 June 2012	<u>3,490,383</u>
<b>Amortisation</b>	
At 1 July 2011	754,284
Charge for the year	647,708
At 30 June 2012	<u>1,401,992</u>
<b>Net book value</b>	
At 30 June 2012	<u>2,088,391</u>
At 30 June 2011	<u>2,723,566</u>

Additions to Goodwill of £12,533 relates to legal cost in relation to the acquisition in the prior period of Pinnacle Staffing Group PLC

**11. Tangible fixed assets**

<b>Group</b>	<b>Freehold Property £</b>	<b>Plant &amp; Machinery £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 July 2011	1,735,783	1,846,782	544,786	772,769	4,900,120
Additions	—	42,539	4,169	157,405	204,113
Disposals	—	—	—	(127,410)	(127,410)
Revaluation	(39,488)	(16,153)	(19,872)	18,449	(57,064)
At 30 June 2012	<u>1,696,295</u>	<u>1,873,168</u>	<u>529,083</u>	<u>821,213</u>	<u>4,919,759</u>
<b>Depreciation</b>					
At 1 July 2011	188,662	1,515,292	402,873	460,906	2,567,733
Charge for the year	26,691	186,381	31,942	105,210	350,224
On disposals	—	—	—	(55,450)	(55,450)
At 30 June 2012	<u>215,353</u>	<u>1,701,673</u>	<u>434,815</u>	<u>510,666</u>	<u>2,862,507</u>
<b>Net book value</b>					
At 30 June 2012	<u>1,480,942</u>	<u>171,495</u>	<u>94,268</u>	<u>310,547</u>	<u>2,057,252</u>
At 30 June 2011	<u>1,547,121</u>	<u>331,490</u>	<u>141,913</u>	<u>311,863</u>	<u>2,332,387</u>

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

**11. Tangible fixed assets (continued)**

<b>Company</b>	<b>Freehold Property £</b>	<b>Plant &amp; Machinery £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 July 2011	1,514,163	1,631,029	497,216	625,078	4,267,486
Additions	—	42,539	4,169	157,405	204,113
Disposals	—	—	—	(97,098)	(97,098)
At 30 June 2012	<u>1,514,163</u>	<u>1,673,568</u>	<u>501,385</u>	<u>685,385</u>	<u>4,374,501</u>
<b>Depreciation</b>					
At 1 July 2011	179,593	1,362,770	375,691	337,793	2,255,847
Charge for the year	26,691	139,305	31,424	92,650	290,070
On disposals	—	—	—	(32,514)	(32,514)
At 30 June 2012	<u>206,284</u>	<u>1,502,075</u>	<u>407,115</u>	<u>397,929</u>	<u>2,513,403</u>
<b>Net book value</b>					
At 30 June 2012	<u>1,307,879</u>	<u>171,493</u>	<u>94,270</u>	<u>287,456</u>	<u>1,861,098</u>
At 30 June 2011	<u>1,334,570</u>	<u>268,259</u>	<u>121,525</u>	<u>287,285</u>	<u>2,011,639</u>

**12. Investments**

<b>Company</b>	<b>Group companies £</b>
<b>Cost</b>	
At 1 July 2011 and 30 June 2012	<u>728,652</u>
<b>Net book value</b>	
At 30 June 2012 and 30 June 2011	<u>728,652</u>

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

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In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

**Holdings of more than 20%**

The parent company hold more than 20% of the share capital of the following subsidiary undertakings which are unlisted

<b>Name</b>	<b>Country of incorporation</b>	<b>Holding</b>	<b>Proportion of voting rights</b>	<b>Principal activity</b>
<b>Subsidiary undertakings</b>				
Arabella Health Staffing Limited	England & Wales	Ordinary shares	100%	Recruitment agency
QA Calling Limited	England & Wales	Ordinary shares	100%	Dormant
Nursing Services of the UK Limited	England & Wales	Ordinary shares	100%	Dormant
Nursing Services of South Africa (Pty) Limited	South Africa	Ordinary shares	100%	Recruitment agency
A24 Group (Pty) Limited	South Africa	Ordinary shares	100%	Recruitment agency
Locum Services of the UK Limited	England and Wales	Ordinary shares	100%	Dormant
NS Health Staffing Limited	England and Wales	Ordinary shares	100%	Dormant
Ambition Recruitment Services Limited	England and Wales	Ordinary shares	100%	Dormant
Mayfair Staffing Limited	England and Wales	Ordinary shares	100%	Recruitment Agency

Charles Rees (Director) holds 1 Ordinary share of £1 00 in Mayfair Staffing Limited and is

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

registered in his name as Nominee of and Trustee for A24 Group Limited

**13. Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	6,936,184	5,977,543	2,823,722	2,209,864
Amounts owed by group undertakings	–	–	4,692,552	4,502,202
Corporation tax repayable	745,338	1,246,156	361,102	739,498
VAT recoverable	–	–	309,434	7,237
Other debtors	164,082	36,730	39,692	30,686
Deferred taxation (Note 14)	274,739	112,682	152,394	(32,135)
Prepayments and accrued income	888,740	692,515	484,238	426,683
	<u>9,009,083</u>	<u>8,065,626</u>	<u>8,863,134</u>	<u>7,884,035</u>

**14. Deferred taxation**

The movement in the deferred taxation asset during the year was

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Asset/Provision brought forward	112,682	–	(32,135)	–
Increase/(Decrease) in asset	162,057	112,682	184,529	(32,135)
Asset/Provision carried forward	<u>274,739</u>	<u>112,682</u>	<u>152,394</u>	<u>(32,135)</u>

The group's asset for deferred taxation consists of the tax effect of timing differences in respect of

<b>Group</b>	<b>2012</b>		<b>2011</b>	
	<b>Provided</b>	<b>Unprovided</b>	<b>Provided</b>	<b>Unprovided</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Provision deferred tax, fixed asset timing differences	<u>274,739</u>	<u>–</u>	<u>112,682</u>	<u>–</u>

The company's asset for deferred taxation consists of the tax effect of timing differences in respect of

<b>Company</b>	<b>2012</b>		<b>2011</b>	
	<b>Provided</b>	<b>Unprovided</b>	<b>Provided</b>	<b>Unprovided</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Provision deferred tax, fixed asset timing differences	<u>152,394</u>	<u>–</u>	<u>(32,135)</u>	<u>–</u>

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

**15. Creditors: Amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	545,731	916,397	160,336	592,472
Amounts owed to group undertakings	–	–	2,959,270	1,119,543
Directors' loan accounts	5,497,795	4,848,982	5,497,795	4,848,982
Other creditors including taxation and social security				
PAYE and social security	1,102,801	776,928	505,578	444,259
VAT	433,200	737,980	–	–
Other creditors	352,768	454,917	214,132	34,386
Accruals and deferred income	1,871,024	2,500,355	957,779	1,456,881
	<u>9,803,319</u>	<u>10,235,559</u>	<u>10,294,890</u>	<u>8,496,523</u>

**16. Pensions**

The company operates a defined contribution pension scheme. The total amount charged in the year to the P&L for the pension costs in the year totalled £69,456.

**17. Commitments under operating leases**

At 30 June 2012 the group had annual commitments under non-cancellable operating leases as set out below:

<b>Group</b>	<b>Land and buildings</b>	
	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Operating leases which expire		
Within 1 year	21,500	10,140
Within 2 to 5 years	–	21,500
	<u>21,500</u>	<u>31,640</u>

At 30 June 2012 the company had annual commitments under non-cancellable operating leases as set out below:

<b>Company</b>	<b>Land and buildings</b>	
	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Operating leases which expire		
Within 1 year	21,500	10,140
Within 2 to 5 years	–	21,500
	<u>21,500</u>	<u>31,640</u>

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

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**18. Related party transactions**

**Group**

The company and group have taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the group headed by A24 Group Limited

During the year the company and group proposed a dividend of £1,500,000 (2011 £nil) to P Streeter. At the balance sheet date, this amount was included within creditors due within 1 year

**Company**

At the year end the company owed P Streeter £5,924,767 (2011 £4,848,982)

**19. Share capital**

**Allotted, called up and fully paid:**

	<b>2012</b>		<b>2011</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

**20. Reserves**

**Group**

	<b>Profit and loss account</b>
	<b>£</b>
Balance brought forward	17,006,851
Profit for the year	4,836,955
Equity dividends	<u>(1,500,000)</u>
Balance carried forward	<u>20,343,806</u>

**Company**

	<b>Profit and loss account</b>
	<b>£</b>
Balance brought forward	15,677,421
Profit for the year	3,543,381
Equity dividends	<u>(1,500,000)</u>
Balance carried forward	<u>17,720,802</u>

**A24 GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2012**

**21. Reconciliation of movements in shareholders' funds**

	2012 £	2011 £
Profit for the financial year	4,836,955	3,549,747
Equity dividends	(1,500,000)	–
Foreign currency translation differences	–	(62,045)
Net addition to shareholders' funds	<u>3,336,955</u>	<u>3,487,702</u>
Opening shareholders' funds	17,006,853	13,519,151
Closing shareholders' funds	<u>20,343,808</u>	<u>17,006,853</u>

**22. Notes to the cash flow statement**

**Reconciliation of operating profit to net cash inflow from operating activities**

	2012 £	2011 £
Operating profit	6,268,742	4,879,882
Amortisation	647,708	544,712
Depreciation	350,224	521,656
Profit on disposal of fixed assets	(8,559)	(7,237)
(Increase)/decrease in debtors	(1,282,218)	648,644
Decrease in creditors	(1,932,240)	(487,919)
Loss/(gain) on foreign currency retranslation on debt	57,064	(87,871)
Net cash inflow from operating activities	<u>4,100,721</u>	<u>6,011,867</u>

**Reconciliation of net cash flow to movement in net funds**

	2012 £	2011 £
Increase in cash in the period	2,871,568	504,868
Movement in net funds in the period	<u>2,871,568</u>	<u>504,868</u>
Net funds at 1 July 2011	14,120,833	13,615,965
Net funds at 30 June 2012	<u>16,992,401</u>	<u>14,120,833</u>

**Analysis of changes in net funds**

	At 1 July 2011 £	Cash flows £	At 30 June 2012 £
Net cash			
Cash in hand and at bank	14,120,833	2,871,568	16,992,401
Net funds	<u>14,120,833</u>	<u>2,871,568</u>	<u>16,992,401</u>

**23. Ultimate controlling party**

The directors do not consider there to be an ultimate controlling party