



ARTHURANDERSEN

Alexander Mann Technology (Northwest) Limited

Annual report and accounts
for the period ended 30 September 2000

Registered number: 03930954



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COMPANIES HOUSE

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Directors' report

For the period ended 30 September 2000

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the period ended 30 September 2000.

Principal activities

The principal activity of the company is that of professional recruitment consultants.

Business review

The company was incorporated on 17 February 2000 and began trading in the same month. The directors expect the general level of activity to continue.

Results and dividends

The audited accounts for the period ended 30 September 2000 are set out on pages 5 to 14. The loss for the period after taxation was £110,913.

The directors do not recommend the payment of a dividend.

Directors

The directors who served during the period and their beneficial interests in the shares of the company were as follows:

	Date of appointment	Number of ordinary shares held at 30 September 2000
J Caan	17 th February 2000	-
J Wright	17 th February 2000	-
C Ross-Roberts	17 th February 2000	-
D Taylor	17 th February 2000	16,500
L Taylor	17 th February 2000	16,500

J Caan, C Ross-Roberts and J Wright are directors of the company's ultimate parent company, Alexander Mann Group Limited and their beneficial interests in the shares of that company are shown in its financial statements.

Directors' report (continued)

Auditors

During the period the directors appointed Arthur Andersen as auditors.

The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

Alexander House
9-11 Fulwood Place
London
WC1V 6HG

By order of the Board,

A handwritten signature in black ink, appearing to read 'C Ross-Roberts', written over a horizontal line.

C Ross-Roberts

Date: 29 January 2001

Secretary

Directors' responsibilities

Company law requires the directors to prepare accounts 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 accounts, 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 accounts; and
- prepare the accounts 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 accounts 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.



To the Shareholders of Alexander Mann Technology (Northwest) Limited

We have audited the accounts on pages 5 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

Basis of 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 accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the company, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company at 30 September 2000 and of the company's loss and cash flows for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen
Chartered Accountants and Registered Auditors

20 Old Bailey
London
EC4M 7AN

Date: 29th January 2001

Profit and loss account

For the period ended 30 September 2000

	Notes	2000 £
Turnover		293,693
Cost of sales		<u>(300,144)</u>
Gross loss		(6,451)
Administrative expenses		<u>(104,436)</u>
Operating loss		(110,887)
Finance charges (net)	1	<u>(26)</u>
Loss on ordinary activities before taxation	2	(110,913)
Tax on profit on ordinary activities		<u>-</u>
Loss on ordinary activities after taxation		(110,913)
Dividends paid and proposed		<u>-</u>
Retained loss for the period	9	<u>(110,913)</u>

All of the results presented above derive from continuing activities.

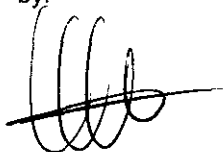
The accompanying notes are an integral part of this profit and loss account.

There are no recognised gains or losses other than the loss for the period.

Balance sheet
30 September 2000

	Notes	2000 £
Fixed assets		
Tangible assets	5	12,526
Current assets		
Debtors	6	125,273
Cash at bank and in hand		17,360
		<u>142,633</u>
Creditors: Amounts falling due within one year	7	<u>(191,072)</u>
Net current liabilities		<u>(48,439)</u>
Total assets less current liabilities		<u>(35,913)</u>
Net liabilities		<u>(35,913)</u>
Capital and reserves		
Called-up share capital	8	75,000
Profit and loss account	9	<u>(110,913)</u>
Shareholders' funds	10	<u>(35,913)</u>

The accounts on pages 5 to 14 were approved by the board of directors on 29 January 2001 and signed on its behalf by:



J Caan

D. Taylor

Director

Director

Date: 29 January 2001

Date: 29 January 2001

The accompanying notes are an integral part of this balance sheet.

Cash flow statement

For the period ended 30 September 2000

	Notes	2000 £
Net cash outflow from operating activities	11	(43,872)
Returns on investments and servicing of finance	12	(26)
Capital expenditure and financial investment	12	(13,742)
Cash outflow before financing		<u>(57,640)</u>
Financing	12	75,000
Increase in cash in the period	13	<u>17,360</u>

The accompanying notes are an integral part of this cash flow statement.

Statement of accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Fixtures and fittings	4 years
Plant and machinery	4 years
Computer equipment	3 years

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided using the liability method on all timing differences only to the extent that they are expected to reverse in the future without being replaced.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. All exchange differences are included in the profit and loss account.

Notes to accounts

30 September 2000

1 Finance charges (net)

Interest payable and similar charges

	2000
	£
Bank loans and overdrafts	26
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	26
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2 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging:

	2000
	£
Depreciation and amounts written off tangible fixed assets	
- owned	1,216
Auditors' remuneration for audit services	2,800
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3 Staff costs

The average monthly number of employees (including executive directors) was:

	2000
	Number
Sales	7
Administration	1
	<hr/>
	8
	<hr/>

2000
£

Their aggregate remuneration comprised:

Wages and salaries	239,594
Social security costs	17,565
Other pension costs	1,275
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	258,434
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Notes to accounts (continued)

4 Directors' remuneration, interests and transactions

Remuneration

The remuneration of the directors was as follows:

	2000
	£
Emoluments	119,763
Contributions to personal pension schemes	1,275
	<hr/>
	121,038
	<hr/>

Directors' interests

Other than those disclosed in the directors' report, no directors who held office at 30 September 2000 had any interests in the shares and debentures of group undertakings.

Directors' transactions

No other disclosable transactions have taken place with directors in the year or the prior year.

Notes to accounts (continued)

5 Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 17 February 2000	-
Additions	13,742
At 30 September 2000	<u>13,742</u>
Depreciation	
At 17 February 2000	-
Charge for the year	1,216
At 30 September 2000	<u>1,216</u>
Net book value	
At 30 September 2000	<u>12,526</u>
At 17 February 2000	<u>-</u>

6 Debtors

	2000 £
Trade debtors	119,991
Other debtors	1,639
Prepayments and accrued income	3,643
	<u>125,273</u>

All amounts shown under debtors fall due for payment within one year.

Notes to accounts (continued)

7 Creditors: Amounts falling due within one year

	2000 £
Trade creditors	35,498
Amounts owed to group undertakings	56,619
Other taxation and social security	27,922
Directors loans	6,750
Other creditors	1,513
Accruals and deferred income	62,770
	<u>191,072</u>

8 Called-up share capital

	2000 £
<i>Authorised</i>	
400,000 ordinary shares of 25p each	<u>100,000</u>
<i>Allotted, called-up and fully-paid</i>	
300,000 ordinary shares of 25p each	<u>75,000</u>

9 Reserves

	Profit and loss account £	Total £
At 17 February 2000	-	-
Retained loss for the period	(110,913)	(110,913)
At 30 September 2000	<u>(110,913)</u>	<u>(110,913)</u>

Notes to accounts (continued)

10 Reconciliation of movements in shareholders' funds

	2000 £
Loss for the financial period	(110,913)
New shares issued	<u>75,000</u>
Net reduction in shareholders' funds	(35,913)
Opening shareholders' funds	<u>-</u>
Closing shareholders' funds	<u>(35,913)</u>

11 Reconciliation of operating loss to operating cash flows

	2000 £
Operating loss	(110,887)
Depreciation charges	1,216
Increase in debtors	(125,273)
Increase in creditors	<u>191,072</u>
Net cash outflow from operating activities	<u>(43,872)</u>

Notes to accounts (continued)

12 Analysis of cash flows

	2000 £
<i>Returns on investments and servicing of finance</i>	
Interest paid	(26)
Net cash outflow	<u>(26)</u>
	£
<i>Capital expenditure and financial investment</i>	
Purchase of tangible fixed assets	(13,742)
Net cash outflow	<u>(13,742)</u>
	£
<i>Financing</i>	
Issue of ordinary share capital	75,000
Net cash inflow	<u>75,000</u>

13 Analysis and reconciliation of net funds

	17 February 2000	Cash flow	30 September 2000
	£	£	£
Cash in hand, at bank	-	17,360	17,360
Net funds	<u>-</u>	<u>17,360</u>	<u>17,360</u>

	2000 £
Increase in cash in the period	17,360
Change in net debt resulting from cash flows	17,360
Net funds at 17 February 2000	-
Net funds at 30 September 2000	<u>17,360</u>

Notes to accounts (continued)

14 Ultimate controlling party

The directors regard Alexander Mann Group Limited, a company incorporated in England and Wales, as the ultimate parent company and the ultimate controlling party.

Alexander Mann Group Limited is the parent company of the largest and smallest group of which the company is a member and for which group accounts are drawn up. Copies of the accounts are available from Alexander House, 9-11 Fulwood Place, London, WC1V 6HG.

As a subsidiary undertaking of Alexander Mann Group Limited, the company has taken advantage of the exemption in FRS 8 "Related party disclosures" from disclosing transactions with other members of the group headed by Alexander Mann Group Limited.