

**MAXXIMA LTD**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2006**

*Company Registration No. 04197152 (England and Wales)*

**BERKELEY TOWNSEND**  
**CHARTERED ACCOUNTANTS**

MONDAY



A32

\*AWIJVNSH\*

12/03/2007

COMPANIES HOUSE

115

# MAXXIMA LTD

## COMPANY INFORMATION

---

**Directors**

Mr M Harris  
Mr G Gough

**Secretary**

Mr M Harris

**Company number**

04197152

**Registered office**

Hunter House  
150 Hutton Road  
Shenfield  
Essex  
CM15 8NL

**Auditors**

Berkeley Townsend Chartered Accountants  
Hunter House  
150 Hutton Road  
Shenfield  
Essex  
CM15 8NL

**Business address**

Hunter House  
150 Hutton Road  
Shenfield  
Essex  
CM15 8NL

---

# MAXXIMA LTD

## CONTENTS

---

	<b>Page</b>
Directors' report	1 - 3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the cash flow statement	8
Notes to the financial statements	9 - 13

---

# MAXXIMA LTD

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2006

---

The directors present their report and financial statements for the year ended 31 August 2006.

#### Principal activities and review of the business

The principal activity of the company continued to be that of recruitments consultants.

No significant change in the nature of these activities occurred during the year.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

The key financial highlights are as follows:

	2006	2005	2004
Turnover	£10.5m	£7.4m	£3.8m
Gross profit margin	23.4%	25.7%	27.1%
Profit before tax	£0.91m	£0.76m	£0.47m

The company has continued to make placements in the medical industry and in social services from four office locations in the UK. New contracts are continually being sought to further advance the key financial indicators provided above.

Gross profit margin has decreased over the three years, which is due to the continually increasing temporary staff costs

However, the number of temporary staff on the books of the company continues to increase. The company keeps a tight control over administrative costs and overheads.

The company faces the risk of the medical sector and social services altering the way in which they recruit their staff. At the present time, there would appear to be no reason to suggest that this is likely to occur. The company also faces the risk that when a contract comes up for tender, it may not be won or retained by them. With the recruitment industry being highly competitive, the directors believe that continued expansion will strengthen their position in the market place.

The companies principal financial instruments comprise bank balances, invoice factoring arrangements, trade debtors, trade creditors and loans to the company. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

The company's approach to managing risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of invoice factoring arrangements.

In respect of loans these comprise loans from the directors. These loans are interest free and are repayable on demand. The directors are aware of the company's required finance and have determined that these will only be repaid, in whole or in part, when finance is available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The company plans to continue to expand in the following year and financially remains in a reasonable position, with net assets of £650,563.

# MAXXIMA LTD

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2006

---

#### Results and dividends

The results for the year are set out on page 5.

An interim ordinary dividend was paid amounting to £553,620. The directors do not recommend payment of a final dividend.

#### Future developments

The directors aim to continue to increase the number of temporary staff that the company holds on its files, with a view to increasing turnover.

#### Directors

The following directors have held office since 1 September 2005:

Mr M Harris

Mr G Gough

#### Directors' interests

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

	Ordinary shares of £1 each	
	31 August 2006	1 September 2005
Mr M Harris	100	100
Mr G Gough	100	100

#### Introduction of the euro

As the company is UK based, the Euro is not the base currency and therefore the impact of the introduction of the Euro on the business is minimal. Any exchange rate differences for the year will be taken to the profit and loss account.

#### Auditors

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

# MAXXIMA LTD

## DIRECTORS' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2006*

---

### **Directors' responsibilities**

The directors are responsible for preparing 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement of disclosure to auditor**

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



.....  
Mr M Harris

**Director**

9 March 2007

# MAXXIMA LTD

## INDEPENDENT AUDITORS' REPORT

### TO THE SHAREHOLDERS OF MAXXIMA LTD

---

We have audited the financial statements of Maxxima Ltd on pages 5 to 13 for the year ended 31 August 2006. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein. This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the directors and auditors**

As described in the statement of directors' responsibilities on page 3 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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.

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 August 2006 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



**Berkeley Townsend Chartered Accountants**

9 March 2007

**Registered Auditor**

**Hunter House**

**150 Hutton Road**

**Shenfield**

**Essex**

**CM15 8NL**

---

# MAXXIMA LTD

## PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 31 AUGUST 2006*

	Notes	2006 £	2005 £
Turnover	2	10,512,788	7,406,831
Cost of sales		(8,051,671)	(5,501,057)
Gross profit		2,461,117	1,905,774
Administrative expenses		(1,553,416)	(1,151,094)
Operating profit	3	907,701	754,680
Profit on disposal of tangible assets		-	3,013
Profit on ordinary activities before interest		907,701	757,693
Other interest receivable and similar income	4	2,680	1,261
Interest payable and similar charges	5	(1,131)	-
Profit on ordinary activities before taxation		909,250	758,954
Tax on profit on ordinary activities	6	(258,887)	(205,336)
Profit for the year	12	650,363	553,618

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.



# MAXXIMA LTD

## BALANCE SHEET

AS AT 31 AUGUST 2006

	Notes	2006 £	£	2005 £	£
<b>Fixed assets</b>					
Tangible assets	8		36,798		49,063
<b>Current assets</b>					
Debtors	9	1,344,715		953,230	
Cash at bank and in hand		167,015		57,536	
		<u>1,511,730</u>		<u>1,010,766</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(897,965)</u>		<u>(506,011)</u>	
<b>Net current assets</b>			613,765		504,755
<b>Total assets less current liabilities</b>			<u>650,563</u>		<u>553,818</u>
<b>Capital and reserves</b>					
Called up share capital	11		200		200
Profit and loss account	12		650,363		553,618
<b>Shareholders' funds</b>	13		<u>650,563</u>		<u>553,818</u>

Approved by the Board and authorised for issue on 9 March 2007

  
.....  
Mr M Harris  
Director

  
.....  
Mr G Gough  
Director

# MAXXIMA LTD

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2006

	£	2006 £	£	2005 £
<b>Net cash inflow from operating activities</b>		866,892		126,340
<b>Returns on investments and servicing of finance</b>				
Interest received	2,680		1,261	
Interest paid	(1,131)		-	
<b>Net cash inflow for returns on investments and servicing of finance</b>		1,549		1,261
<b>Taxation</b>		(205,335)		(114,279)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	-		(31,122)	
Receipts from sales of tangible assets	-		20,650	
<b>Net cash outflow for capital expenditure</b>		-		(10,472)
<b>Equity dividends paid</b>		(553,620)		-
<b>Net cash inflow before management of liquid resources and financing</b>		109,485		2,850
<b>Financing</b>				
Capital element of hire purchase contracts	-		(26,438)	
<b>Net cash outflow from financing</b>		-		(26,438)
<b>Increase/(decrease) in cash in the year</b>		109,486		(23,588)

# MAXXIMA LTD

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2006

1	Reconciliation of operating profit to net cash inflow from operating activities	2006	2005		
		£	£		
	Operating profit	907,701	754,680		
	Depreciation of tangible assets	12,266	16,354		
	Increase in debtors	(391,485)	(408,632)		
	Increase/(decrease) in creditors within one year	338,410	(236,062)		
	Net cash inflow from operating activities	866,892	126,340		
2	Analysis of net funds	1 September 2005	Cash flow	Other non-cash changes	31 August 2006
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	57,536	109,479	-	167,015
	Bank overdrafts	(7)	7	-	-
		57,529	109,486	-	167,015
	Bank deposits	-	-	-	-
	Net funds	57,529	109,486	-	167,015
3	Reconciliation of net cash flow to movement in net funds	2006	2005		
		£	£		
	Increase/(decrease) in cash in the year	109,486	(23,588)		
	Cash (inflow)/outflow from (increase)/decrease in debt	-	26,438		
	Movement in net funds in the year	109,486	2,850		
	Opening net funds	57,529	54,679		
	Closing net funds	167,015	57,529		

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2006

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Turnover

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

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	25% reducing balance per annum
Motor vehicles	25% reducing balance per annum

#### 1.4 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity.

### 3 Operating profit

	2006	2005
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	12,266	16,354
Auditors' remuneration	5,000	5,450
	<u>17,266</u>	<u>21,804</u>

### 4 Investment income

	2006	2005
	£	£
Bank interest	2,589	1,162
Other interest	91	99
	<u>2,680</u>	<u>1,261</u>

### 5 Interest payable

	2006	2005
	£	£
On overdue tax	1,131	-
	<u>1,131</u>	<u>-</u>

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

6	Taxation	2006	2005
		£	£
	<b>Domestic current year tax</b>		
	U.K. corporation tax	258,887	205,336
	<b>Current tax charge</b>	<u>258,887</u>	<u>205,336</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>909,250</u>	<u>758,954</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.25% (2005 - 27.27%)	<u>256,863</u>	<u>206,967</u>
	Effects of:		
	Non deductible expenses	662	1,105
	Depreciation add back	3,456	3,638
	Capital allowances	(2,094)	(6,374)
		<u>2,024</u>	<u>(1,631)</u>
	<b>Current tax charge</b>	<u>258,887</u>	<u>205,336</u>
7	Dividends	2006	2005
		£	£
	Ordinary interim paid	<u>553,620</u>	<u>-</u>

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

### 8 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 September 2005 & at 31 August 2006	86,228
<b>Depreciation</b>	
At 1 September 2005	37,164
Charge for the year	12,266
At 31 August 2006	49,430
<b>Net book value</b>	
At 31 August 2006	36,798
At 31 August 2005	49,063

### 9 Debtors

	2006 £	2005 £
Trade debtors	1,331,979	939,515
Prepayments and accrued income	12,736	13,715
	<u>1,344,715</u>	<u>953,230</u>

### 10 Creditors: amounts falling due within one year

	2006 £	2005 £
Bank loans and overdrafts	-	7
Trade creditors	310,085	113,132
Corporation tax	258,887	205,336
Other taxes and social security costs	129,689	74,175
Directors' current accounts	175,618	108,961
Other creditors	18,686	-
Accruals and deferred income	5,000	4,400
	<u>897,965</u>	<u>506,011</u>

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

<b>11</b>	<b>Share capital</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	200 Ordinary shares of £1 each	200	200
		<u>          </u>	<u>          </u>
	<b>Allotted, called up and fully paid</b>		
	200 Ordinary shares of £1 each	200	200
		<u>          </u>	<u>          </u>
<b>12</b>	<b>Statement of movements on profit and loss account</b>		<b>Profit and loss account</b>
			<b>£</b>
	Balance at 1 September 2005		553,620
	Profit for the year		650,363
	Dividends paid		(553,620)
			<u>          </u>
<b>13</b>	<b>Reconciliation of movements in shareholders' funds</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Profit for the financial year	650,363	553,618
	Dividends	(553,620)	-
		<u>          </u>	<u>          </u>
	Net addition to shareholders' funds	96,743	553,618
	Opening shareholders' funds	553,818	200
		<u>          </u>	<u>          </u>
	Closing shareholders' funds	650,563	553,818
		<u>          </u>	<u>          </u>

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

### 14 Financial commitments

At 31 August 2006 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 August 2007:

	<b>Land and buildings</b>	
	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Within one year	35,081	38,746
Between two and five years	41,878	21,403
	<u>76,959</u>	<u>60,149</u>

### 15 Directors' emoluments

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Emoluments for qualifying services	<u>50,000</u>	<u>50,000</u>

### 16 Employees

#### Number of employees

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

	<b>2006</b>	<b>2005</b>
	<b>Number</b>	<b>Number</b>
Permanent staff	31	23
Temporary staff	154	60
	<u>185</u>	<u>83</u>

#### Employment costs

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<u>1,912,720</u>	<u>1,173,778</u>

### 17 Control

The ultimate controlling party of the company is the directors.