

**MAXXIMA LTD**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2011**

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



# MAXXIMA LTD

## COMPANY INFORMATION

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<b>Directors</b>	Mr M Harris Mr G Gough
<b>Secretary</b>	Mr M Harris
<b>Company number</b>	04197152
<b>Registered office</b>	Hunter House 150 Hutton Road Shenfield Essex CM15 8NL
<b>Auditors</b>	The Mudd Partnership Lakeview House 4 Woodbrook Crescent Billencay Essex CM12 0EQ
<b>Business address</b>	Shenfield House 182 Hutton Road Shenfield Essex CM15 8NS

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# **MAXXIMA LTD**

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# MAXXIMA LTD

## DIRECTORS' REPORT

### *FOR THE YEAR ENDED 31 AUGUST 2011*

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The directors present their report and financial statements for the year ended 31 August 2011

#### **Principal activities and review of the business**

The principal activity of the company continued to be that of recruitment consultants providing temporary staff to the healthcare and social care sectors

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

The spending review of Public Sector services during the 4th qtr 2010 saw a renewed focus on the cost of staffing within a large proportion of our public sector clients. Our trading divisions of Labmed, Swim and IML accordingly structured their business model to proactively offer our clients' temporary staff at keener rates to reflect their need for reduced agency spend. The Directors review of the outlook of temporary staffing within our current clients is that although there has been a focus on cutting costs, the existing supply contracts that we hold coupled with our large database of compliant, professionally qualified candidates will only strengthen our ability to place temporary staff in 2012. In May 2011, the company was awarded the NHS most recommended supplier in the LPP (London Procurement Project) tender for AHP and HSS temporary staff winning 31 out of 32 contracts.

The company has continued its policy of hiring graduates with a high level of education and aptitude to be trained as junior sales consultants. Through referrals and our advertising strategy, the number of new candidates applying to the company continues to rise which further strengthens our position as a preferential supplier to both public and private sector clients. Whilst we believe that there has been a correction in the marketplace in order to reduce public spending costs, the company is being proactive in order to strengthen its position within its competition and to assist our clients by developing its database of available candidates.

The company faces commercial risks of

- not being able to attract locums of sufficient quality and in sufficient volume to allow us to satisfy the growing needs of our customers,
- changes in government spending and policy and the regulatory framework in which we operate,
- that contracts up for tender may not be retained

With the recruitment industry being highly competitive, the directors believe that continued expansion will strengthen their position in the market place.

The company's 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.

# MAXXIMA LTD

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2011**

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The key performance indicators used by the company revolve around the gross margin generated by the business

The results for the year were as follows

	2011	2010	2009
Turnover	£25 4m	£33 5m	£30 6m
Gross profit	£4 9m	£6 7m	£6 6m
Profit before tax	£1 8m	£2 9m	£3 4m

### Results and dividends

The results for the year are set out on page 6

An interim ordinary dividend was paid amounting to £670,362. The directors do not recommend payment of a final dividend.

### Future developments

The directors intend to expand the company further by increasing the number of temporary staff on its files, with a view to increasing turnover and profits.

### Directors

The following directors have held office since 1 September 2010

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 2011	1 September 2010
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 Euro on the business is minimal. Any exchange rate differences for the year will be taken to the profit and loss account.

### Auditors

The auditors, The Mudd Partnership, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

# MAXXIMA LTD

## DIRECTORS' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2011*

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### 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 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

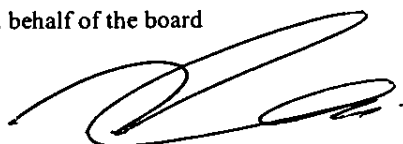
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all 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  
6/2/2012

# **MAXXIMA LTD**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF MAXXIMA LTD**

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We have audited the financial statements of Maxxima Ltd for the year ended 31 August 2011 set out on pages 6 to 15. 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 auditors' 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 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 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 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 31 August 2011 and of its 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 matter 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.

# MAXXIMA LTD

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF MAXXIMA LTD

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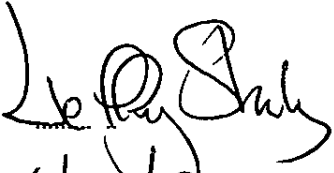
### Matters on which we are required to report by exception

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, 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

**J. Stanley (Senior Statutory Auditor)**  
for and on behalf of The Mudd Partnership

**Chartered Accountants**  
**Statutory Auditor**

  
6/02/2017  
Lakeview House  
4 Woodbrook Crescent  
Billerica  
Essex  
CM12 0EQ

# MAXXIMA LTD

## PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 31 AUGUST 2011*

	Notes	2011 £	2010 £
Turnover	2	25,410,831	33,459,660
Cost of sales		(20,530,081)	(26,709,354)
Gross profit		4,880,750	6,750,306
Administrative expenses		(3,098,374)	(3,846,372)
Operating profit	3	1,782,376	2,903,934
Other interest receivable and similar income	4	-	104
Profit on ordinary activities before taxation		1,782,376	2,904,038
Tax on profit on ordinary activities	5	(485,764)	(814,678)
Profit for the year	12	1,296,612	2,089,360

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 2011

	Notes	2011 £	£	2010 £	£
<b>Fixed assets</b>					
Tangible assets	7		26,096		31,688
<b>Current assets</b>					
Debtors	8	3,443,145		5,624,518	
Cash at bank and in hand		6,468		93,518	
		<u>3,449,613</u>		<u>5,718,036</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(2,178,897)</u>		<u>(5,079,164)</u>	
<b>Net current assets</b>			<u>1,270,716</u>		<u>638,872</u>
<b>Total assets less current liabilities</b>			<u>1,296,812</u>		<u>670,560</u>
<b>Capital and reserves</b>					
Called up share capital	11		200		200
Profit and loss account	12		<u>1,296,612</u>		<u>670,360</u>
<b>Shareholders' funds</b>	13		<u>1,296,812</u>		<u>670,560</u>

Approved by the Board and authorised for issue on 6/2/2012

  
Mr M Harris  
Director

  
Mr G Gough  
Director

Company Registration No. 04197152

# MAXXIMA LTD

## CASH FLOW STATEMENT

*FOR THE YEAR ENDED 31 AUGUST 2011*

	2011	2010
	£	£
Net cash inflow from operating activities	1,398,172	3,506,227
Returns on investments and servicing of finance		
Interest received	-	104
Net cash (outflow)/inflow for returns on investments and servicing of finance	-	104
Taxation	(1,072,678)	(948,646)
Capital expenditure		
Payments to acquire tangible assets	(3,105)	(6,347)
Net cash outflow for capital expenditure	(3,105)	(6,347)
Equity dividends paid	(670,362)	(3,872,454)
Net cash outflow before management of liquid resources and financing	(347,973)	(1,321,116)
Decrease in cash in the year	(347,973)	(1,321,116)

# MAXXIMA LTD

## NOTES TO THE CASH FLOW STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2011**

1	Reconciliation of operating profit to net cash inflow from operating activities	2011	2010
		£	£
	Operating profit	1,782,376	2,903,934
	Depreciation of tangible assets	8,699	10,563
	Decrease/(increase) in debtors	2,181,373	(486,600)
	(Decrease)/Increase in creditors within one year	(2,574,276)	1,078,330
	<b>Net cash inflow from operating activities</b>	<b>1,398,172</b>	<b>3,506,227</b>

2	Analysis of net (debt)/funds	1 September 2010	Cash flow	Other non-cash changes	31 August 2011
		£	£	£	£
	Net cash				
	Cash at bank and in hand	93,518	(87,050)	-	6,468
	Bank overdrafts	-	(260,923)	-	(260,923)
		<u>93,518</u>	<u>(347,973)</u>	<u>-</u>	<u>(254,455)</u>
	Bank deposits	-	-	-	-
	<b>Net funds/(debt)</b>	<b>93,518</b>	<b>(347,973)</b>	<b>-</b>	<b>(254,455)</b>

3	Reconciliation of net cash flow to movement in net (debt)/funds	2011	2010
		£	£
	Decrease in cash in the year	(347,973)	(1,321,116)
	<b>Movement in net (debt)/funds in the year</b>	<b>(347,973)</b>	<b>(1,321,116)</b>
	Opening net funds	93,518	1,414,634
	<b>Closing net (debt)/funds</b>	<b>(254,455)</b>	<b>93,518</b>

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 AUGUST 2011**

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### **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
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#### **1.4 Leasing**

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

#### **1.5 Pensions**

The company paid into a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

#### **1.6 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**

	2011	2010
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	8,699	10,563
Operating lease rentals	118,130	118,918
Auditors' remuneration (including expenses and benefits in kind)	4,000	5,000
	<u>          </u>	<u>          </u>

### **4 Investment income**

	2011	2010
	£	£
Other interest	-	104
	<u>          </u>	<u>          </u>

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2011

5	Taxation	2011	2010
		£	£
	<b>Domestic current year tax</b>		
	U K corporation tax	485,764	814,678
	<b>Total current tax</b>	<u>485,764</u>	<u>814,678</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>1,782,376</u>	<u>2,904,038</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 27.16% (2010 - 28.00%)	<u>484,093</u>	<u>813,131</u>
	Effects of		
	Non deductible expenses	582	958
	Depreciation add back	2,393	2,958
	Capital allowances	(1,304)	(2,369)
		<u>1,671</u>	<u>1,547</u>
	<b>Current tax charge for the year</b>	<u>485,764</u>	<u>814,678</u>
6	Dividends	2011	2010
		£	£
	Ordinary interim paid	<u>670,362</u>	<u>3,872,454</u>

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2011

### 7 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 September 2010	118,055
Additions	3,107
	<hr/>
At 31 August 2011	121,162
	<hr/>
<b>Depreciation</b>	
At 1 September 2010	86,367
Charge for the year	8,699
	<hr/>
At 31 August 2011	95,066
	<hr/>
<b>Net book value</b>	
At 31 August 2011	26,096
	<hr/>
At 31 August 2010	31,688
	<hr/>

8 Debtors	2011 £	2010 £
Trade debtors	3,299,857	4,380,153
Other debtors	47,980	1,172,600
Prepayments and accrued income	95,308	71,765
	<hr/>	<hr/>
	3,443,145	5,624,518
	<hr/>	<hr/>

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2011

9	Creditors: amounts falling due within one year	2011 £	2010 £
	Bank loans and overdrafts	260,923	-
	Trade creditors	310,979	789,912
	Corporation tax	227,764	814,678
	Other taxes and social security costs	525,715	776,267
	Directors' current accounts	428,228	2,213,057
	Other creditors	42,693	21,069
	Accruals and deferred income	382,595	464,181
		<u>2,178,897</u>	<u>5,079,164</u>

#### 10 Pension and other post-retirement benefit commitments Defined contribution

	2011 £	2010 £
Contributions payable by the company for the year	<u>15,380</u>	<u>15,380</u>

#### 11 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
200 Ordinary shares of £1 each	<u>200</u>	<u>200</u>

#### 12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 September 2010	670,362
Profit for the year	1,296,612
Dividends paid	<u>(670,362)</u>

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2011

<b>13 Reconciliation of movements in shareholders' funds</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	1,296,612	2,089,360
Dividends	(670,362)	(3,872,454)
Net addition to/(depletion in) shareholders' funds	626,250	(1,783,094)
Opening shareholders' funds	670,560	2,453,654
Closing shareholders' funds	1,296,812	670,560

#### 14 Financial commitments

At 31 August 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 August 2012

	<b>Land and buildings</b>	
	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating leases which expire		
Within one year	27,500	6,667
Between two and five years	73,832	95,890
	101,332	102,557

<b>15 Directors' remuneration</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	50,000	50,000

# MAXXIMA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2011

### 16 Employees

#### Number of employees

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

	2011 Number	2010 Number
Permanent staff	54	59
Temporary staff	61	75
	<u>115</u>	<u>134</u>

#### Employment costs

	2011 £	2010 £
Wages and salaries	3,713,867	4,689,860
Other pension costs	15,380	15,380
	<u>3,729,247</u>	<u>4,705,240</u>

### 17 Control

The directors are the ultimate controlling party of the company

### 18 Related party relationships and transactions

#### Dividends to Directors

The following directors were paid dividends during the year as outlined in the table below

	2011 £	2010 £
Mr M Harris	335,181	1,936,227
Mr G Gough	335,181	1,936,227
	<u>670,362</u>	<u>3,872,454</u>

Amounts were outstanding to the directors at the balance sheet date as follows

Mr M Harris £214,300  
Mr G Gough £213,928