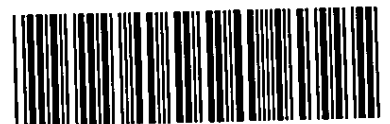


**EUROPEOPLE LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**for the year ended 30 April 2007**

WEDNESDAY



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# **EUROPEOPLE LIMITED**

## **COMPANY INFORMATION**

### **DIRECTORS**

A D Kulakowski (resigned 01/06/2007)  
J C Davison  
L A Davison  
R J Steele

### **SECRETARY**

A D Kulakowski (resigned 01/06/2007)  
J Davison (appointed 01/06/2007)

### **COMPANY NUMBER**

04408010

### **REGISTERED OFFICE**

Stablethorpe  
Thorpe Constantine  
Tamworth  
Staffordshire  
B79 0LH

### **AUDITORS**

Smith Cooper  
Chartered Accountants & Registered Auditors  
Bermuda House  
Crown Square  
First Avenue  
Burton on Trent  
Staffordshire  
DE14 2TB

# **EUROPEOPLE LIMITED**

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# **EUROPEOPLE LIMITED**

## **DIRECTORS' REPORT for the year ended 30 April 2007**

The directors present their report and the financial statements for the year ended 30 April 2007

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual 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). 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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.

### **PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS**

The principal activity of the company in the year under review was that of a staffing agency.

Europepeople operates as a staffing agency, recruiting permanent and temporary staff from mainly Poland to fulfil career opportunities in the United Kingdom.

The year under review has been one considerable change for the Europepeople Team.

We have increased turnover by 57% to £6.9 million - a significant achievement for a company which is only five years old. Profits although lower than in the previous year, are satisfactory given the step change in costs which we have had. During the year under review we have set up new offices at Stablethorpe. These cost changes are already enabling us to better service our employees, our clients and our candidates. We are confident that after a year of consolidation in 2007/2008, we will show further growth in 2008/2009.

### **DIRECTORS**

The directors who served during the year were

A D Kulakowski (resigned 01/06/2007)  
J C Davison  
L A Davison  
R J Steele

### **PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

**EUROPEOPLE LIMITED**

**DIRECTORS' REPORT**  
**for the year ended 30 April 2007**

**AUDITORS**

The auditors, Smith Cooper, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

This report was approved by the board on *18 January 2008* and signed on its behalf

*[Signature]*

Director

## **EUROPEOPLE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EUROPEOPLE LIMITED**

We have audited the financial statements of Europepeople Limited for the year ended 30 April 2007, set out on pages 5 to 10. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 judgments 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.

**EUROPEOPLE LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EUROPEOPLE LIMITED**

**OPINION**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 30 April 2007 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



**SMITH COOPER**

Chartered Accountants  
Registered Auditors

Bermuda House  
Crown Square  
First Avenue  
Burton on Trent  
Staffordshire  
DE14 2TB

Date

18th January 2008

# EUROPEOPLE LIMITED

## PROFIT AND LOSS ACCOUNT for the year ended 30 April 2007

	Note	2007 £	2006 £
<b>TURNOVER</b>	1	<b>6,853,406</b>	<b>4,369,825</b>
Cost of sales		<u>(5,355,633)</u>	<u>(3,525,404)</u>
<b>GROSS PROFIT</b>		<b>1,497,773</b>	<b>844,421</b>
Administrative expenses		<u>(1,375,501)</u>	<u>(506,972)</u>
<b>OPERATING PROFIT</b>	2	<b>122,272</b>	<b>337,449</b>
Interest receivable		<b>2,467</b>	<b>2,392</b>
Interest payable		<u>(29,109)</u>	<u>(836)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>95,630</b>	<b>339,005</b>
Tax on profit on ordinary activities	3	<u>(19,621)</u>	<u>(73,821)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u><b>76,009</b></u>	<u><b>265,184</b></u>

The notes on pages 7 to 10 form part of these financial statements

**EUROPEOPLE LIMITED**

**BALANCE SHEET  
as at 30 April 2007**

			2007	As restated
	Note	£	£	2006
				£
<b>FIXED ASSETS</b>				
Tangible fixed assets	4		422,221	233,082
<b>CURRENT ASSETS</b>				
Debtors	5	721,445		574,256
Cash at bank and in hand		137,322		38,799
		<u>858,767</u>		<u>613,055</u>
<b>CREDITORS: amounts falling due within one year</b>	6	<u>(891,007)</u>		<u>(481,721)</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>(32,240)</u>	<u>131,334</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>389,981</u>	<u>364,416</u>
<b>CREDITORS: amounts falling due after more than one year</b>	7		<u>(223,940)</u>	<u>(74,384)</u>
<b>NET ASSETS</b>			<u><u>166,041</u></u>	<u><u>290,032</u></u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	8		100	100
Profit and loss account	9		165,941	289,932
<b>SHAREHOLDERS' FUNDS</b>			<u><u>166,041</u></u>	<u><u>290,032</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

*Bbn January 2008*

*SM*

Director

The notes on pages 7 to 10 form part of these financial statements

# EUROPEOPLE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2007

### 1. ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

#### 1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	2%	straight line
Motor vehicles	-	25%	reducing balance
Other fixed assets	-	33%	straight line

#### 1.4 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

#### 1.5 EMPLOYEES

Disabled persons are given full and fair consideration in all applications for employment. Equal consideration is also given for training, career development and opportunities for promotion. If an existing employee becomes disabled, such steps that are practical are taken, in respect of adjustment to premises or employment arrangements, to retain him/her in employment. Where appropriate, rehabilitation and suitable training are given

### 2. OPERATING PROFIT

The operating profit is stated after charging

	2007 £	2006 £
Depreciation of tangible fixed assets		
- owned by the company	41,429	10,040
Auditors' remuneration	5,500	-
Directors' emoluments	117,286	20,408
	<u>164,215</u>	<u>30,448</u>

# EUROPEOPLE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2007

### 3. TAXATION

	2007 £	2006 £
<b>ANALYSIS OF TAX (CREDIT)/CHARGE IN THE YEAR</b>		
UK corporation tax charge on profit for the year	20,113	73,821
Adjustments in respect of prior periods	(492)	-
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	<b>19,621</b>	<b>73,821</b>

### 4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Motor vehicles £	Other fixed assets £	Total £
<b>COST</b>					
At 1 May 2006	220,000	295	8,811	17,002	246,108
Additions	141,400	1,013	29,637	58,518	230,568
At 30 April 2007	361,400	1,308	38,448	75,520	476,676
<b>DEPRECIATION</b>					
At 1 May 2006	4,400	-	2,203	6,423	13,026
Charge for the year	7,228	432	9,061	24,708	41,429
At 30 April 2007	11,628	432	11,264	31,131	54,455
<b>NET BOOK VALUE</b>					
At 30 April 2007	349,772	876	27,184	44,389	422,221
At 30 April 2006	215,600	295	6,608	10,579	233,082

### 5. DEBTORS

	2007 £	2006 £
Trade debtors	637,533	563,798
Other debtors	83,912	10,458
	<b>721,445</b>	<b>574,256</b>

Included within other debtors due within one year is a loan to A Kulakowski, a director, amounting to £35,134 (2006 - £NIL) The maximum amount outstanding during the year was £35,134

# EUROPEOPLE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2007

### 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	As restated 2006
	£	£
Bank loans and overdrafts	218,466	57,951
Trade creditors	91,875	15,786
Corporation tax	20,113	73,757
Social security and other taxes	450,117	257,091
Other creditors	110,436	77,136
	<u>891,007</u>	<u>481,721</u>

Loans totalling £28,052 included above are secured by a fixed charge over some of the freehold land and buildings owned by the Company

Loans totalling £190,414 included above are secured by a floating charge over the assets of the Company

### 7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007	As restated 2006
	£	£
Bank loans	<u>223,940</u>	<u>74,384</u>

Creditors include amounts not wholly repayable within 5 years as follows

	2007	As restated 2006
	£	£
Repayable by instalments	<u>111,732</u>	<u>38,428</u>

Loans included above are repayable in monthly instalments with interest charged at a fixed rate per annum

Loans totalling £223,940 included above are secured by a fixed charge over some of the freehold land and buildings owned by the Company

### 8. SHARE CAPITAL

	2007	2006
	£	£
<b>AUTHORISED, ALLOTTED, CALLED UP AND FULLY PAID</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

# EUROPEOPLE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2007

### 9 RESERVES

	Profit and loss account £
At 1 May 2006	289,932
Profit for the year	76,009
Dividends Equity capital	(200,000)
	<hr/>
At 30 April 2007	165,941
	<hr/>

### 10 DIVIDENDS

	2007 £	2006 £
Dividends paid on equity capital	200,000	110,000
	<hr/>	<hr/>

### 11 OPERATING LEASE COMMITMENTS

At 30 April 2007 the company had annual commitments under non-cancellable operating leases as follows

	2007 £	2006 £
<b>EXPIRY DATE</b>		
Between 2 and 5 years	20,161	-
	<hr/>	<hr/>

### 12. RELATED PARTY TRANSACTIONS

During the year the Company made purchases of £20,720 (2006 Nil) from Synergy Management Limited, a company in which J Davison and L Davison are directors At the balance sheet date there was an outstanding creditor of £24,346 (2006 Nil)

During the year the Company made purchases of £19,967 (2006 £137) from Adsum Limited, a company in which R Steele is a director At the balance sheet date there was no balance outstanding (2006 Nil)

During the year the Company made sales of £5,973 (2006 £1,209) to P & A Cars, a company in which A Kulakowski is a partner At the balance sheet date there was an outstanding debtor of £8,227 (2006 £1,209)

During the year the Company made sales of £5,910 (2006 £31,461) to JJ Davison & Sons, a company in which J Davison is a partner At the balance sheet date there was an outstanding creditor of £390 (2006 debtor of £2,182)