

COMPANY REGISTRATION NUMBER 07022711

**ABACO RECRUITMENT LIMITED**  
**FINANCIAL STATEMENTS**  
**31 AUGUST 2013**

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COMPANIES HOUSE

# **ABACO RECRUITMENT LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2013**

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**ABACO RECRUITMENT LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

|                               |  |
|-------------------------------|--|
| <b>The board of directors</b> | T McLennan<br>J P Waters<br>M A Keane<br>K Lynch<br>M R Kaye   |
| <b>Company secretary</b>      | M R Kaye   |
| <b>Registered office</b>      | 1st Floor, Castlewood House<br>77-91 New Oxford Street<br>London<br>WC1A 1DG                                       |
| <b>Auditor</b>                | Independent Auditors LLP<br>Chartered Accountants<br>& Statutory Auditor<br>5 Underwood Street<br>London<br>N1 7LY |

# **ABACO RECRUITMENT LIMITED**

## **DIRECTORS' REPORT**

### **YEAR ENDED 31 AUGUST 2013**

The directors present their report and the financial statements of the group for the year ended 31 August 2013.

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

The principal activity of the company is that of a holding company. The principal activities of subsidiaries are recruitment of teachers and support staff.

The directors are pleased with the performance of the companies with both achieving substantial profits. It is hoped its subsidiaries will grow over the coming years.

#### **Financial key performance indicators**

At the end of the year, the net assets totalled £428,486 (2012: £347,875).

The group's key financial and other performance indicators during the year were as follows:

- Turnover for the year was £23,835,121 (2012: £20,160,076).
- Profit before tax was £1,842,961 (2012: £1,225,636)
- Net profit as a percentage of turnover was 7.7% (2012: 6.1%)

#### **KEY RISKS AND CONTROL**

The business' principle financial instruments comprise bank balances, trade debtors, and trade creditors. The main purpose of these instruments is to finance the business operations. In respect of debtors, the liquidity risk is minimised by ensuring policies are implemented concerning the credit offered to customers and a regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors. Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

#### **FUTURE DEVELOPMENTS**

Due to the current economic climate it is difficult to look ahead with certainty, however the business is capable to adapting to market changes, and the directors expect the business to grow in the future.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £1,412,051. Particulars of dividends paid are detailed in note 10 to the financial statements.

The directors do not recommend a final dividend.

#### **DIRECTORS**

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

T McLennan  
J P Waters  
M A Keane  
K Lynch  
M R Kaye

# **ABACO RECRUITMENT LIMITED**

## **DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 AUGUST 2013**

### **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 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 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.


Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **AUDITOR**

Independent Auditors LLP are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Signed on behalf of the directors



J P Waters  
Director

Approved by the directors on 23 May 2014.

# **ABACO RECRUITMENT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABACO RECRUITMENT LIMITED**

**YEAR ENDED 31 AUGUST 2013**

We have audited the financial statements of Abaco Recruitment Limited for the year ended 31 August 2013 which comprise the Group Profit and Loss Account, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement, the Group and Parent Company Reconciliation of Movements in Shareholders' Funds and the related notes. 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 page 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 (APB'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 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 group's and of the parent company's affairs as at 31 August 2013 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 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.

# **ABACO RECRUITMENT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABACO RECRUITMENT LIMITED *(continued)***

**YEAR ENDED 31 AUGUST 2013**

### **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.

*Independent Auditors LLP*

Jonathon Dale BA(Hons) FCA (Senior Statutory Auditor)  
For and on behalf of Independent Auditors LLP  
Chartered Accountants & Statutory Auditor  
5 Underwood Street  
London  
N1 7LY

*29 MAY 2014*

# **ABACO RECRUITMENT LIMITED**

## **PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 31 AUGUST 2013**

|  | Note     | 2013<br>£         | 2012<br>£         |
|--|----------|-------------------|-------------------|
| <b>GROUP TURNOVER</b>                                | <b>2</b> | <b>23,835,121</b> | <b>20,160,076</b> |
| Cost of sales  |          | 17,660,583        | 14,888,265        |
| <b>GROSS PROFIT</b>                                  |          | <b>6,174,538</b>  | <b>5,271,811</b>  |
| Administrative expenses                              |          | 4,333,537         | 4,040,561         |
| <b>OPERATING PROFIT</b>                              | <b>3</b> | <b>1,841,001</b>  | <b>1,231,250</b>  |
| Interest receivable                                  |          | 23,654            | 11,359            |
| Interest payable and similar charges                 | <b>7</b> | <b>(21,694)</b>   | <b>(16,973)</b>   |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |          | <b>1,842,961</b>  | <b>1,225,636</b>  |
| Tax on profit on ordinary activities                 | <b>8</b> | <b>430,910</b>    | <b>294,218</b>    |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                 | <b>9</b> | <b>1,412,051</b>  | <b>931,418</b>    |

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

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 10 to 19 form part of these financial statements.



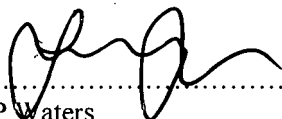
# ABACO RECRUITMENT LIMITED

## GROUP BALANCE SHEET

31 AUGUST 2013

|   | Note | 2013<br>£        | 2012<br>£        |
|---|------|------------------|------------------|
| <b>FIXED ASSETS</b>                                   |      |                  |                  |
| Intangible assets                                     | 11   | (349,847)        | (399,825)        |
| Tangible assets                                       | 12   | <u>39,550</u>    | <u>68,958</u>    |
|   |      | <u>(310,297)</u> | <u>(330,867)</u> |
| <b>CURRENT ASSETS</b>                                 |      |                  |                  |
| Debtors   | 14   | 2,171,729        | 1,679,359        |
| Cash at bank  |      | <u>438,932</u>   | <u>637,038</u>   |
|   |      | 2,610,661        | 2,316,397        |
| <b>CREDITORS: Amounts falling due within one year</b> | 15   | <u>1,871,878</u> | <u>1,637,655</u> |
| <b>NET CURRENT ASSETS</b>                             |      | <u>738,783</u>   | <u>678,742</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |      | <u>428,486</u>   | <u>347,875</u>   |
| <b>CAPITAL AND RESERVES</b>                           |      |                  |                  |
| Called-up equity share capital                        | 18   | 100,000          | 100,000          |
| Profit and loss account                               | 19   | <u>328,486</u>   | <u>247,875</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                            | 20   | <u>428,486</u>   | <u>347,875</u>   |

These accounts were approved by the shareholders and authorised for issue on 23 May 2014, and are signed on their behalf by:

  
 .....  
 J P Waters  
 Director

The notes on pages 10 to 19 form part of these financial statements.

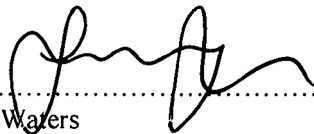
# ABACO RECRUITMENT LIMITED

## COMPANY BALANCE SHEET

31 AUGUST 2013

|  | Note | 2013<br>£      | 2012<br>£      |
|--|------|----------------|----------------|
| <b>FIXED ASSETS</b>                          |      |                |                |
| Investments                                  | 13   | <u>100,000</u> | <u>100,000</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |      | <u>100,000</u> | <u>100,000</u> |
| <b>CAPITAL AND RESERVES</b>                  |      |                |                |
| Called-up equity share capital               | 18   | <u>100,000</u> | <u>100,000</u> |
| <b>SHAREHOLDERS' FUNDS</b>                   |      | <u>100,000</u> | <u>100,000</u> |

These accounts were approved by the shareholders and authorised for issue on 23 May 2014, and are signed on their behalf by:

  
.....  
J P Waters  
Director

Company Registration Number: 07022711

The notes on pages 10 to 19 form part of these financial statements.

# **ABACO RECRUITMENT LIMITED**

## **GROUP CASH FLOW**

**YEAR ENDED 31 AUGUST 2013**

|  |             | <b>2013</b>        | <b>2012</b>      |
|--|-------------|--------------------|------------------|
|  | <b>Note</b> | <b>£</b>           | <b>£</b>         |
| <b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>       | <b>21</b>   | <b>1,430,271</b>   | <b>1,284,976</b> |
| <b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b> | <b>21</b>   | <b>1,960</b>       | <b>(5,614)</b>   |
| <b>TAXATION</b>  | <b>21</b>   | <b>(294,218)</b>   | <b>(155,264)</b> |
| <b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>    | <b>21</b>   | <b>(4,679)</b>     | <b>(9,942)</b>   |
| <b>EQUITY DIVIDENDS PAID</b>                           |             | <b>(1,331,440)</b> | <b>(664,896)</b> |
| <b>(DECREASE)/INCREASE IN CASH</b>                     | <b>21</b>   | <b>(198,106)</b>   | <b>449,260</b>   |

The notes on pages 10 to 19 form part of these financial statements.

## 1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

The consolidated financial statements incorporate the financial statements of the company and all subsidiary undertakings.

Turnover represents the total amount receivable by the company from the sale of goods and provision of services exclusive of VAT.

In respect of on-going services turnover represents the value of work done in the year including estimates of amounts not invoiced.

Purchased goodwill arising on acquisitions is capitalised as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10 years

All fixed assets are initially recorded at cost.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|                                  |                           |
|----------------------------------|---------------------------|
| Plant and machinery              | - 25% straight line       |
| Fixtures, fittings and equipment | - 20% - 25% straight line |

Investments in subsidiaries are valued at cost less provision for impairment.

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

**ABACO RECRUITMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2013**

**1. ACCOUNTING POLICIES** *(continued)*

**1.10 Pension costs**

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

**1.11 Deferred taxation**

No provision for deferred taxation has been provided for in the financial statements, due to the amount not being material.

**1.12 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

**1.13 Financial instruments**

Financial instruments are classified and accounted for, according to the substance of 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:

|                | 2013<br>£         | 2012<br>£         |
|----------------|-------------------|-------------------|
| United Kingdom | 23,835,121        | 19,483,394        |
| Overseas       | -                 | 676,682           |
|                | <b>23,835,121</b> | <b>20,160,076</b> |

**3. OPERATING PROFIT**

Operating profit is stated after charging/(crediting):

|   | 2013<br>£ | 2012<br>£ |
|---|-----------|-----------|
| Amortisation of intangible assets                 | (49,978)  | (49,978)  |
| Depreciation of owned fixed assets                | 34,087    | 44,440    |
| Loss on disposal of fixed assets                  | -         | 19,153    |
| Auditor's remuneration                            |           |           |
| - as auditor                                      | 12,050    | 10,850    |
| Operating lease costs:                            |           |           |
| - land and buildings                              | 163,100   | 139,674   |
| Net loss/(profit) on foreign currency translation | 55,630    | (2,837)   |

The audit fee for Abaco Recruitment Limited has been borne by its subsidiary, Tradewind Recruitment Limited.

**ABACO RECRUITMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2013**

**4. PARTICULARS OF EMPLOYEES**

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

|                            | 2013 | 2012 |
|----------------------------|------|------|
|                            | No   | No   |
| Sales and consultants      | 138  | 80   |
| Support and administration | 29   | 26   |
| Directors                  | 3    | 3    |
|                            | 170  | 109  |

The aggregate payroll costs of the above were:

|                       | 2013      | 2012      |
|-----------------------|-----------|-----------|
|                       | £         | £         |
| Wages and salaries    | 5,118,253 | 4,105,179 |
| Social security costs | 521,562   | 418,727   |
| Other pension costs   | –         | 50,118    |
|                       | 5,639,815 | 4,574,024 |

**5. DIRECTORS' REMUNERATION**

The directors' aggregate remuneration in respect of qualifying services were:

|                         | 2013    | 2012    |
|-------------------------|---------|---------|
|                         | £       | £       |
| Remuneration receivable | 346,711 | 375,760 |

**Remuneration of highest paid director:**

|  | 2013    | 2012    |
|--|---------|---------|
|  | £       | £       |
| Total remuneration (excluding pension contributions) | 123,996 | 179,789 |

**6. PENSION**

The group operate a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the fund and amounted to £Nil (2012 - £50,118). At the balance sheet date there were no outstanding or prepaid contributions.

**7. INTEREST PAYABLE AND SIMILAR CHARGES**

|                           | 2013   | 2012   |
|---------------------------|--------|--------|
|                           | £      | £      |
| Interest payable on loans | 20,250 | 16,973 |
| On overdue tax            | 1,444  | –      |
|                           | 21,694 | 16,973 |

**ABACO RECRUITMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2013**

**8. TAXATION ON ORDINARY ACTIVITIES**

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

|   | 2013<br>£ | 2012<br>£ |
|---|-----------|-----------|
| Current tax:  |           |           |
| UK Corporation tax based on the results for the year at 23.58%<br>(2012 – 25.17%) | 430,910   | 294,218   |
| Total current tax   | 430,910   | 294,218   |

**(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 23.58% (2012 – 25.17%).

|   | 2013<br>£ | 2012<br>£ |
|---|-----------|-----------|
| Profit on ordinary activities before taxation           | 1,842,961 | 1,225,636 |
| Profit on ordinary activities by rate of tax            | 434,570   | 308,493   |
| Expenses not deductible for tax purposes                | (9,746)   | (20,838)  |
| Depreciation for period in excess of capital allowances | 6,317     | 6,563     |
| Marginal relief   | (231)     | -         |
| Total current tax (note 8(a))                           | 430,910   | 294,218   |

**9. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY**

The profit dealt with in the financial statements of the parent company was £1,331,440 (2012 - £664,896).

**10. DIVIDENDS**

**Equity dividends**

|                                | 2013<br>£ | 2012<br>£ |
|--------------------------------|-----------|-----------|
| Paid during the year:          |           |           |
| Dividends on Ordinary A shares | 1,331,440 | 664,896   |

**ABACO RECRUITMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2013**

**11. INTANGIBLE FIXED ASSETS**

| Group                                  | Goodwill<br>£ |
|--|---------------|
| <b>COST</b>                            |               |
| At 1 September 2012 and 31 August 2013 | (499,781)     |
| <b>AMORTISATION</b>                    |               |
| At 1 September 2012                    | (99,956)      |
| Charge for the year                    | (49,978)      |
| At 31 August 2013                      | (149,934)     |
| <b>NET BOOK VALUE</b>                  |               |
| At 31 August 2013                      | (349,847)     |
| At 31 August 2012                      | (399,825)     |

**12. TANGIBLE FIXED ASSETS**

| Group                 | Plant &<br>Machinery<br>£ | Fixtures,<br>Fittings and<br>Equipment<br>£ | Total<br>£ |
|-----------------------|---------------------------|---|------------|
| <b>COST</b>           |                           |   |            |
| At 1 September 2012   | 243,504                   | 21,872                                      | 265,376    |
| Additions             | 4,679                     | –   | 4,679      |
| Disposals             | (21,562)                  | (1,063)                                     | (22,625)   |
| At 31 August 2013     | 226,621                   | 20,809                                      | 247,430    |
| <b>DEPRECIATION</b>   |                           |   |            |
| At 1 September 2012   | 175,856                   | 20,562                                      | 196,418    |
| Charge for the year   | 33,200                    | 887   | 34,087     |
| On disposals          | (21,562)                  | (1,063)                                     | (22,625)   |
| At 31 August 2013     | 187,494                   | 20,386                                      | 207,880    |
| <b>NET BOOK VALUE</b> |                           |   |            |
| At 31 August 2013     | 39,127                    | 423   | 39,550     |
| At 31 August 2012     | 67,648                    | 1,310                                       | 68,958     |



**ABACO RECRUITMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2013**

**13. INVESTMENTS**  
**Company**

Shares in  
group  
undertakings  
£

**COST**

At 1 September 2012 and 31 August 2013

100,000

**NET BOOK VALUE**

At 31 August 2013 and 31 August 2012

100,000

|                                  | Country of<br>incorporation | Holding            | Proportion<br>of voting<br>rights and<br>shares held | Nature of business |
|----------------------------------|-----------------------------|--------------------|--|--------------------|
| <b>Subsidiary undertakings</b>   |                             |                    |  |                    |
| All held by the company:         |                             |                    |  |                    |
| Tradewind<br>Recruitment Limited | England                     | Ordinary<br>shares | 100%   | Recruitment        |
| Sanza Teaching<br>Agency Limited | England                     | Ordinary<br>shares | 100%   | Recruitment        |

All of the above companies have been included in the consolidation on the basis that the parent company held a controlling interest throughout the period.

**14. DEBTORS**

|                                | <b>Group</b> |           | <b>Company</b> |      |
|--------------------------------|--------------|-----------|----------------|------|
|                                | 2013         | 2012      | 2013           | 2012 |
|                                | £            | £         | £              | £    |
| Trade debtors                  | 1,344,404    | 1,097,231 | —              | —    |
| Other debtors                  | 738,597      | 496,114   | —              | —    |
| Directors current accounts     | 4,770        | —         | —              | —    |
| Prepayments and accrued income | 83,958       | 86,014    | —              | —    |
|                                | 2,171,729    | 1,679,359 | —              | —    |

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

|   | <b>Group</b> |           | <b>Company</b> |      |
|---|--------------|-----------|----------------|------|
|   | 2013         | 2012      | 2013           | 2012 |
|   | £            | £         | £              | £    |
| Trade creditors   | 112,419      | 369,868   | —              | —    |
| Other creditors including taxation and social security: |              |           |                |      |
| Corporation tax   | 430,910      | 294,218   | —              | —    |
| Other taxation and social security                      | 344,280      | 441,558   | —              | —    |
| Other creditors   | 456,019      | 458,929   | —              | —    |
| Accruals and deferred income                            | 528,250      | 73,082    | —              | —    |
|   | 1,871,878    | 1,637,655 | —              | —    |

**ABACO RECRUITMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2013**

**16. COMMITMENTS UNDER OPERATING LEASES**

At 31 August 2013 the group had annual commitments under non-cancellable operating leases as set out below.

| <b>Group</b>                   | <b>Land and buildings</b> |                |
|--------------------------------|---------------------------|----------------|
|                                | <b>2013</b>               | <b>2012</b>    |
|                                | <b>£</b>                  | <b>£</b>       |
| Operating leases which expire: |                           |                |
| Within 1 year                  | -                         | 17,429         |
| Between 1 and 5 years          | 143,851                   | 124,613        |
| In over 5 years                | 13,600                    | -              |
|                                | <b>157,451</b>            | <b>142,042</b> |

**17. RELATED PARTY TRANSACTIONS**

The Group purchased services totalling £597,591 (2012: £395,341) from Sanza Consulting Pty Ltd, a company registered in Australia. M A Keane and J P Waters are both directors of Sanza Consulting Pty Ltd. At the balance sheet date, £397,591 (2012: £68,898) of accrued expenses were liable and are included within creditors falling due within one year.

At the balance sheet date, £Nil (2012: £266,886) was owed to Sanza Consulting Pty Ltd and is included within creditors falling due within one year.

At the balance sheet date, £450,387 (2012: £280,702) was owed to the Group by Tradewind Australia Pty Ltd, a company incorporated in Australia which is under common control, and is included within debtors falling due within one year.

The following loan to a director subsisted during the year ended 31 August 2013.

| <b>J P Waters</b>                        | <b>2013</b>  | <b>2012</b> |
|--|--------------|-------------|
|  | <b>£</b>     | <b>£</b>    |
| Balance outstanding at start of the year | -            | -           |
| Amounts advanced                         | 4,770        | -           |
| Amounts repaid                           | -            | -           |
| Balance outstanding at end of the year   | <b>4,770</b> | -           |

The non-interest bearing loan is repayable upon demand.

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**18. SHARE CAPITAL**

Allotted, called up and fully paid:

|                              | 2013    |         | 2012    |         |
|------------------------------|---------|---------|---------|---------|
|                              | No      | £       | No      | £       |
| Ordinary A shares of £1 each | 75,000  | 75,000  | 75,000  | 75,000  |
| Ordinary B shares of £1 each | 25,000  | 25,000  | 25,000  | 25,000  |
|                              | 100,000 | 100,000 | 100,000 | 100,000 |

**19. RESERVES**

| Group                   | Profit and loss<br>account<br>£     |
|-------------------------|-------------------------------------|
| Balance brought forward | 247,875                             |
| Profit for the year     | 1,412,051                           |
| Equity dividends        | (1,331,440)                         |
| Balance carried forward | 328,486                             |
| <br>Company             | <br>Profit and loss<br>account<br>£ |
| Profit for the year     | 1,331,440                           |
| Equity dividends        | (1,331,440)                         |
| Balance carried forward | —                                   |

**20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

| Group                               | 2013<br>£     | 2012<br>£     |
|-------------------------------------|---------------|---------------|
| Profit for the financial year       | 1,412,051     | 931,418       |
| Equity dividends                    | (1,331,440)   | (664,896)     |
| Net addition to shareholders' funds | 80,611        | 266,522       |
| Opening shareholders' funds         | 347,875       | 81,353        |
| Closing shareholders' funds         | 428,486       | 347,875       |
| <br>Company                         | <br>2013<br>£ | <br>2012<br>£ |
| Profit for the financial year       | 1,331,440     | 664,896       |
| Equity dividends                    | (1,331,440)   | (664,896)     |
| Net addition to shareholders' funds | —             | —             |
| Opening shareholders' funds         | 100,000       | 100,000       |
| Closing shareholders' funds         | 100,000       | 100,000       |

**ABACO RECRUITMENT LIMITED**  
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**YEAR ENDED 31 AUGUST 2013**

**21. NOTES TO THE CASH FLOW STATEMENT**

**RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

|   | 2013<br>£ | 2012<br>£ |
|---|-----------|-----------|
| Operating profit                          | 1,841,001 | 1,231,250 |
| Amortisation                              | (49,978)  | (49,978)  |
| Depreciation                              | 34,087    | 44,440    |
| Loss on disposal of fixed assets          | –         | 19,153    |
| (Increase)/decrease in debtors            | (492,370) | 14,567    |
| Increase in creditors                     | 97,531    | 25,544    |
| Net cash inflow from operating activities | 1,430,271 | 1,284,976 |

**RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

|  | 2013<br>£ | 2012<br>£ |
|--|-----------|-----------|
| Interest received  | 23,654    | 11,359    |
| Interest paid  | (21,694)  | (16,973)  |
| Net cash inflow/(outflow) from returns on investments and servicing of finance | 1,960     | (5,614)   |

**TAXATION**

|          | 2013<br>£ | 2012<br>£ |
|----------|-----------|-----------|
| Taxation | (294,218) | (155,264) |

**CAPITAL EXPENDITURE**

|   | 2013<br>£ | 2012<br>£ |
|---|-----------|-----------|
| Payments to acquire tangible fixed assets | (4,679)   | (14,913)  |
| Receipts from sale of fixed assets        | –         | 4,971     |
| Net cash outflow from capital expenditure | (4,679)   | (9,942)   |

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

|   | 2013<br>£ | 2012<br>£ |
|---|-----------|-----------|
| (Decrease)/Increase in cash in the period | (198,106) | 449,260   |
| Movement in net funds in the period       | (198,106) | 449,260   |
| Net funds at 1 September 2012             | 637,038   | 187,778   |
| Net funds at 31 August 2013               | 438,932   | 637,038   |

**ABACO RECRUITMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. NOTES TO THE CASH FLOW STATEMENT** *(continued)*

**ANALYSIS OF CHANGES IN NET FUNDS**

|                          | At<br>1 Sep 2012<br>£ | Cash flows<br>£ | At<br>31 Aug 2013<br>£ |
|--------------------------|-----------------------|-----------------|------------------------|
| Net cash:                |                       |                 |                        |
| Cash in hand and at bank | 637,038               | (198,106)       | 438,932                |
| Net funds                | 637,038               | (198,106)       | 438,932                |

**22. ULTIMATE PARENT COMPANY**

The ultimate parent undertaking at the balance sheet date is Lejoli Limited, a company registered in Guernsey.