

AGP (NB) Limited

(formerly known as Arcus Global Partners Limited)

Annual Report

Year ended 31 December 2014

WEDNESDAY



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26/08/2015
COMPANIES HOUSE

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Company Information

Directors	S O'Brien (resigned 30 June 2015) B Felton (resigned 30 March 2014) J Webber (appointed 30 September 2014) S Edwards (resigned 3 October 2014) P Casey (resigned 30 June 2015) J McEwen (appointed 4 February 2015)
Secretary	R Robinson
Registered office	12 St James's Square London SW1Y 4LB
Registered number	07309878
Auditors	Kreston Reeves LLP Chartered Accountants & Statutory Auditors Third Floor 24 Chiswell Street London EC1Y 4YX
Bankers	Metro Bank One Southampton Row London WC1B 5HA Leumi ABL 126 Dyke Road Brighton East Sussex BN1 3TE

Report of the Directors

The directors present their report and the audited financial statements for the year ended 31 December 2014.

Principal activities

The principal activities of the business are executive search, interim management and senior talent management.

Directors

S O'Brien (resigned 30 June 2015)
B Felton (resigned 30 March 2014)
J Webber (appointed 30 September 2014)
S Edwards (resigned 3 October 2014)
P Casey (resigned 30 June 2015)

The above directors do not hold any interests in the company. The company's share capital is wholly owned by its ultimate parent company, Norman Broadbent plc. S O'Brien, B Felton and J Webber are also directors of Norman Broadbent plc and their interests in that company are shown in those accounts.

Results and dividends

The results for the year are shown in the profit and loss account on page 6.

The directors do not recommend the payment of a dividend (2013: £nil).

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the Directors 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 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 judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 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.

Report of the Directors

(Continued)

Provision of information to auditors

Each of the persons who are directors at the time when this Report of the Directors is approved have confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- that 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 auditor in connection with preparing this report and to establish that the company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution to reappoint Kreston Reeves LLP as auditors of the company will be proposed at the forthcoming Annual General Meeting.

Approval

The report of the directors was approved by the Board on 5/8 2015 and signed on its behalf by:



J WEBBER
Director

Report of the Independent Auditors to the Members of AGP (NB) Limited

We have audited the financial statements of AGP (NB) Limited for the year ended 31 December 2014, set out on pages 6 to 14. 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 auditors

As explained more fully in the Statement of directors' responsibilities, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of the Company's loss 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.

Report of the Independent Auditors to the Members of AGP (NB) Limited

(Continued)

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Kreston Reeves LLP

Michael Cook BA(Hons) FCA (Senior Statutory Auditor)
For and on behalf of

KRESTON REEVES LLP
STATUTORY AUDITORS
CHARTERED ACCOUNTANTS

Third Floor
24 Chiswell Street
London, EC1Y 4YX

5 August 2015

Profit and Loss Account

For the year ended 31 December 2014

	Note	2014 Total £'000	2013 Total £'000
Turnover	1, 2	1,118	267
Cost of sales		(340)	(31)
		<hr/>	<hr/>
Gross profit		778	236
Administrative expenses		(1,350)	(715)
		<hr/>	<hr/>
Operating loss	3	(572)	(479)
Interest payable	13	(6)	(1)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(578)	(480)
Tax on loss on ordinary activities	6	-	-
		<hr/>	<hr/>
Loss on ordinary activities after taxation	11	(578)	(480)
		<hr/>	<hr/>

There were no other recognised gains or losses other than the results reported above for the current and prior year.

Balance Sheet

at 31 December 2014

	Note	2014 £'000	2013 £'000
Fixed assets			
Tangible assets	7	12	15
		<hr/>	<hr/>
		12	15
Current assets			
Debtors- due within one year	8	177	147
Cash at bank and in hand		29	13
		<hr/>	<hr/>
		206	160
Creditors: Amounts falling due within one year	9	(1,266)	(645)
		<hr/>	<hr/>
Net current (liabilities)		(1,060)	(485)
		<hr/>	<hr/>
Total assets less current liabilities		(1,048)	(470)
		<hr/>	<hr/>
Net (liabilities)		(1,048)	(470)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	10	10	10
Profit and loss account	11	(1,058)	(480)
		<hr/>	<hr/>
Equity shareholders' funds	12	(1,048)	(470)
		<hr/>	<hr/>

The financial statements were approved by the Board on 5/8/ 2015 and signed on its behalf by:


J WEBBER
Director

Company No: 07309878

Notes to the Financial Statements

For the year ended 31 December 2014

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The company has reported a loss after tax for the year of £578,000 (2013: £480,000) and has net liabilities at 31 December 2014 of £1,048,000 (2013: liabilities of £470,000). Included within net liabilities are net intercompany loans totalling £1,076,000 (2013: £470,000) owed to fellow group companies. These loans are non-interest bearing and have no formal repayment terms. Norman Broadbent plc has confirmed that they will not call for repayment of this sum until the company has sufficient cash to do so, without prejudice to the company's other creditors and for a period of at least twelve months from the date of the approval of these financial statements.

The financial statements are prepared on a going concern basis, which the directors believe to be appropriate as the company will continue to receive support from its parent company, Norman Broadbent plc. Norman Broadbent plc will continue to provide financial support to the company for the foreseeable future to ensure it can meet all obligations as they fall due.

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the company's activities. Turnover is shown net of value-added tax, returns, rebates and discounts.

The company recognises turnover when the amount can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met.

Executive Search services are provided on a contingent or part-retained basis and the company typically invoices the client for the majority of the fee once a candidate has formally accepted an offer of employment. For fully contingent work, turnover is only recognised once the placement has been made.

For any services carried out on a consultancy or retained basis, the turnover is recognised over the period in which the services are performed, by reference to the estimated personnel time incurred to fulfil the obligation under the contract. Turnover is deferred for any invoices raised but unearned at the year end.

Depreciation

Tangible fixed assets have been depreciated over their expected useful lives, at the following annual rates, based on cost, sufficient to reduce them to their residual value.

Office Computer equipment	33%	Straight-line
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Deferred taxation

Deferred tax is provided on timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Notes to the Financial Statements

For the year ended 31 December 2014

1. ACCOUNTING POLICIES (continued)

Deferred taxation (continued)

Where law or accounting standards require gains and losses to be recognised in the statement of total recognised gains and losses, the related taxation is also taken directly to the statement of total recognised gains and losses in due course.

Cash flow statement

Under FRS 1 (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of a UK parent.

Foreign currency

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates ruling at the year-end. Exchange differences are dealt with through the profit and loss account.

Pensions

Pension costs represent contributions due to the company's defined contribution pension scheme on behalf of certain directors and employees of the company. Contributions payable for the period are charged in the profit and loss account.

Related party transactions

Under paragraph 3c of FRS 8, the company is exempt from the requirement to disclose transactions with wholly owned fellow group companies as the financial statements are included in the consolidated financial statements of Norman Broadbent plc.

2. TURNOVER

	2014 £'000	2013 £'000
Geographical analysis of turnover		
United Kingdom	1074	253
Europe	40	14
Other	4	-
	<hr/>	<hr/>
	1,118	267
	<hr/>	<hr/>

3. OPERATING LOSS

Operating Loss is arrived at after charging

	2014 £'000	2014 £'000
Depreciation		
- Owned assets	5	3
Group management charge	41	39
Auditors' remuneration	4	4
	<hr/>	<hr/>

Notes to the Financial Statements

For the year ended 31 December 2014

4. EMPLOYEES

Staff costs, including directors:	2014 £'000	2013 £'000
Wages and salaries	775	421
Social security costs	85	50
Pension costs	35	17
	<hr/>	<hr/>
	895	488
	<hr/>	<hr/>

The average monthly number of employees during the period (including directors) was as follows:

	2014 No	2013 No
- Consultants	10	5
- Support staff	1	2
	<hr/>	<hr/>
	11	7
	<hr/>	<hr/>

5. DIRECTORS' EMOLUMENTS

	2014 £'000	2013 £'000
Wages and salaries	97	58
Pension contributions	7	4
	<hr/>	<hr/>
	104	62
	<hr/>	<hr/>

The employment costs of B Felton (resigned), J Webber and S O'Brien were borne by a fellow group company during the year.

The number of directors to whom pension scheme benefits are accruing was 1 (2013: 1). Pension contributions of £7,000 (2013: £4,000) were paid on behalf of a director during the period.

6. TAXATION

Taxation charge for the period

	2014 £'000	2013 £'000
Current taxation		
United Kingdom corporation tax charge for the period	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	-
	<hr/>	<hr/>

Notes to the Financial Statements

For the year ended 31 December 2014

TAXATION (continued)

Current tax reconciliation

The current tax charge/(credit) differs from the standard rate of corporation tax in the UK.
A reconciliation is shown below:

	2014 £'000	2013 £'000
Loss on ordinary activities before taxation	(578)	(480)
Theoretical tax credit at UK corporation tax rate 21.50% (2013: 23.25%)	(124)	(112)
Effects of:		
- depreciation in excess of capital allowances	-	(3)
- expenditure that is not tax deductible	2	1
- adjustment to losses carried forward	118	114
- group relief	4	
Actual current taxation charge	-	-

7. TANGIBLE FIXED ASSETS

	Office and computer equipment £'000	Total £'000
Cost		
At 1 January 2014	18	18
Additions	2	2
At 31 December 2014	20	20
Depreciation		
At 1 January 2014	3	3
Charge for the year	5	5
At 31 December 2014	8	8
Net book value		
At 31 December 2014	12	12
At 31 December 2013	15	15

Notes to the Financial Statements

For the year ended 31 December 2014

8. DEBTORS

	2014 £'000	2013 £'000
Trade debtors	126	146
Other debtors	-	-
Amounts due from group undertakings	51	1
	<hr/>	<hr/>
	177	147
	<hr/>	<hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £'000	2013 £'000
Bank loans and overdraft	44	122
Trade creditors	29	6
Social security and other taxes	36	40
Accruals	30	6
Amount owed to fellow subsidiaries	1,127	471
	<hr/>	<hr/>
	1,266	645
	<hr/>	<hr/>

Bank loans and overdraft relate to the company's invoice discounting facility. Funds are available to be drawn down at an advance rate of 75% against trade receivables of AGP (NB) Limited that are aged less than 120 days, with the facility capped at £750,000. At 31 December 2014, the outstanding balance on the facility of £44,000 (2013: £122,000) was secured by trade receivables of £126,000 (2013: £146,000) and a group cross corporate guarantee and indemnity deed dated 9 October 2013. Interest is charged on the drawn down funds at a rate of 2.75% above the bank base rate.

10. CALLED UP SHARE CAPITAL

	2014 £'000	2013 £'000
Authorised		
10,000 Ordinary shares of £1 each	10	10
	<hr/>	<hr/>
Allotted, Called up and Fully Paid		
10,000 Ordinary shares of £1 each	10	10
	<hr/>	<hr/>
	10	10
	<hr/>	<hr/>

Notes to the Financial Statements

For the year ended 31 December 2014

11. RESERVES

	Profit and loss account £'000
At 1 January 2014	(480)
Loss for the period	(578)
	<hr/>
At 31 December 2014	(1,058)
	<hr/>

12. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	2014 £'000	2013 £'000
Loss for the period	(578)	(480)
Equity shareholders' funds brought forward	(470)	10
	<hr/>	<hr/>
Equity shareholders' deficit carried forward	(1,048)	(470)
	<hr/>	<hr/>

13. FINANCE COST

	2014 £'000	2013 £'000
Interest on drawn down funds	6	1
	<hr/>	<hr/>
	6	1
	<hr/>	<hr/>

14. COMMITMENTS AND CONTINGENT LIABILITIES

Norman Broadbent Executive Search Limited, AGP (NB) and Norman Broadbent Interim Management Limited operate independent invoice discounting facilities, provided by Leumi ABL Limited. Leumi ABL Ltd holds all assets debentures for each company (fixed and floating charges) and also a cross corporate guarantee and indemnity deed dated 9 October 2013. The net potential liability at 31 December 2014 was £673,000 (2013: £802,000) of which £45,000 is recognised on the company's balance sheet (2013: £122,000).

The company is a member of the Norman Broadbent plc Group VAT scheme. As such it is jointly accountable for the combined VAT liability of the group. The Group VAT liability outstanding at the year end was £67,000 (2013: £147,000) of which £7,000 is recognised on the company balance sheet within current liabilities (2013: £17,000).

Notes to the Financial Statements

For the year ended 31 December 2014

15. PENSION OBLIGATIONS

The company has a defined contribution pension scheme designed to provide retirement benefits for employees of the company. The amount charged to the profit and loss account during the year in respect of normal contributions amounted to £35,000 (2013: £17,000). At the year end the pension liability amounted to £nil (2013: £nil).

16. PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

In the opinion of the directors, Norman Broadbent plc, a company incorporated in England and Wales, is regarded as being the ultimate holding and controlling company.

Copies of the ultimate holding company's consolidated financial statements may be obtained from the Company Secretary at Norman Broadbent plc, 12 St James's Square, London SW1Y 4LB.

17. RELATED PARTY TRANSACTIONS

(a) Cost of Group services

	2014 £'000	2013 £'000
Connecting Corporates Limited	24	11
	<hr/>	<hr/>
Total	24	11
	<hr/>	<hr/>

During the year Connecting Corporates Limited invoiced AGP (NB) Limited for research worked performed. Connecting Corporates Limited and AGP (NB) Limited are members of the same group.

All related party expenditure took place via "arms-length" transactions.

(b) Year-end creditors arising from purchase of services

	2014 £'000	2013 £'000
Connecting Corporates Limited	24	11
	<hr/>	<hr/>
Total	24	11
	<hr/>	<hr/>

Creditors due to related parties arise from purchase transactions which are due one month after date of purchase. Creditor balances bear no interest.