

# Sheridan Maine (South East) Limited

## Report and Financial Statements

31 December 2015

*Registered No: 08033420*

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COMPANIES HOUSE

## **Sheridan Maine (South East) Limited**

Registered No. 08033420

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<b>Directors</b>	N J Dudley P T Davis D A Heron S R A Jones J D Smith C C Furness L Shepherd G J Warner O Yost
<b>Company secretary</b>	N J Dudley
<b>Registered office</b>	Meriden Hall Main Road Meriden Warwickshire CV7 7PT
<b>Bankers</b>	Lloyds Banking Group plc 125 Colmore Row Birmingham B3 2DS
<b>Auditor</b>	Mazars LLP 45 Church Street Birmingham B3 2RT

## **Sheridan Maine (South East) Limited**

### **Directors' Report**

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The Directors present their report and the financial statements for the year ended 31 December 2015.

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

The principal activity of the Company is that of a recruitment company. The trading results for the year are considered to be satisfactory as are future prospects.

#### **Results and dividends**

The Company made a profit after tax of £290,872 for the year ended 31 December 2015 (2014 - £215,001).

During the year, interim dividends of £130,082 (2014 - £136,000) were paid.

Following the balance sheet date, interim dividends of £165,000 have been paid.

The Directors do not propose a final dividend and the retained profit for the year has been transferred to reserves.

#### **Directors of the Company**

The directors who held office during the year were as follows:

N J Dudley

P T Davis

D A Heron

S R A Jones

J D Smith

C C Furness

L Shepherd

G J Warner

O Yost

#### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

#### **Reappointment of auditor**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Mazars LLP as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

**Sheridan Maine (South East) Limited**  
**Directors' Report**


*..... continued*

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**Small company provisions**

The Directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board on 23 September 2016 and signed on its behalf by:

  
.....  
J D Smith  
Director

## **Sheridan Maine (South East) Limited**

### **Statement of Directors' Responsibilities in Respect of the Financial Statements**

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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 apply them consistently;
- make judgements and accounting 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; and
- 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.

## **Independent Auditor's Report to the Members of Sheridan Maine (South East) Limited**

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We have audited the financial statements of Sheridan Maine (South East) Limited for the year ended 31 December 2015, which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

### **Respective Responsibilities of directors and the auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), 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.

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.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on the 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 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; 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.

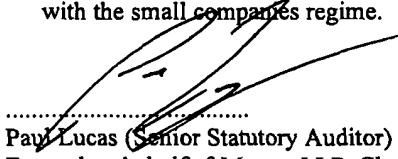
**Independent Auditor's Report to the Members of Sheridan Maine (South East) Limited**  
**..... continued**

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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; or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime.



.....  
Paul Lucas (Senior Statutory Auditor)

For and on behalf of Mazars LLP, Chartered Accountants and Statutory Auditor

45 Church Street  
Birmingham  
B3 2RT

23 September 2016

**Sheridan Maine (South East) Limited**  
**Profit and Loss Account**  
for the Year Ended 31 December 2015

	Note	2015 £	2014 £
<b>Turnover</b>	2	4,766,591	3,537,737
Cost of sales		<u>(2,790,736)</u>	<u>(1,850,934)</u>
<b>Gross profit</b>		1,975,855	1,686,803
Administrative expenses		<u>(1,659,536)</u>	<u>(1,409,448)</u>
<b>Profit on ordinary activities before taxation</b>	3	316,319	277,355
Tax on profit on ordinary activities	5	<u>(25,447)</u>	<u>(62,354)</u>
<b>Profit for the financial year</b>	12	<u>290,872</u>	<u>215,001</u>

The Company has no recognised gains or losses other than those included in the profit and loss account shown above.

All activities arose on continuing operations.



**Sheridan Maine (South East) Limited**

Registered number: 08033420

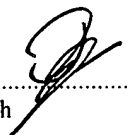
**Balance Sheet**

at 31 December 2015

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible fixed assets	7	<u>48,083</u>	<u>31,493</u>
<b>Current assets</b>			
Debtors	8	671,802	436,895
Creditors: Amounts falling due within one year	9	<u>(553,171)</u>	<u>(462,464)</u>
<b>Net current assets/(liabilities)</b>		<u>118,631</u>	<u>(25,569)</u>
<b>Net assets</b>		<u>166,714</u>	<u>5,924</u>
<b>Capital and reserves</b>			
Called up share capital	11	1,000	1,000
Profit and loss account	12	<u>165,714</u>	<u>4,924</u>
<b>Shareholders' funds</b>	13	<u>166,714</u>	<u>5,924</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements on pages 7 to 18 were approved by the board of directors and authorised for issue on 23 September 2016 and are signed on its behalf by:

  
.....  
J D Smith  
Director

## **Sheridan Maine (South East) Limited**

### **Notes to the Financial Statements**

for the Year Ended 31 December 2015

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#### **1 Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and preceding year.

##### **Basis of preparation**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Turnover from temporary assignment sales are predominantly recognised on a weekly basis corresponding with the assignment week, and fees arising from the placement of permanent staff are predominantly recognised at the point of commencement of employment.

##### **Leasing**

Rentals under operating leases are charged to the profit and loss on a straight-line basis over the lease term, even if the payments are not made on such a basis.

##### **Pensions**

The Company participates in a defined contribution pension scheme operated by Network Ventures Limited. The assets of the scheme are held separately from those of Network Ventures Limited in an independently administered fund. Contributions are charged to the profit and loss account as they become payable in accordance with the scheme rules. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

##### **Depreciation**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable or as otherwise required by relevant accounting standards.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments. Impairments of revalued assets, except those caused by a clear consumption of economic benefit, are recognised in the statement of total recognised gains and losses until the carrying amount reaches depreciated historic cost. All other impairment losses are recognised in the profit and loss account.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, based on prices prevailing at the date of acquisition, as follows:

Office equipment	20% to 50% per annum
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## **Sheridan Maine (South East) Limited**

### **Notes to the Financial Statements**

for the Year Ended 31 December 2015

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#### **Deferred tax**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. No payment is made for group relief surrendered.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date with certain limited exceptions.

Timing differences are differences between the taxable profits and the results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### **2 Turnover**

Turnover, which is stated net of value added tax and trade discounts, is attributable to the one continuing principal activity. The whole of the turnover is attributable to the UK market.

#### **3 Profit on ordinary activities before taxation**

This is stated after charging:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	14,429	4,597
Directors' remuneration - emoluments	361,000	345,656
Directors' remuneration - pensions	<u>38,000</u>	<u>33,025</u>

Fees payable to the Company's auditors for the audit of the Company's statutory accounts were borne by Network Ventures Limited. No other fees are payable to the Company's auditors for non-audit services.

J D Smith, S R A Jones, P T Davis, D A Heron and N J Dudley are directors of other related companies and received no remuneration for their services to Sheridan Maine (South East) Limited in either year.

**Sheridan Maine (South East) Limited**  
**Notes to the Financial Statements**  
for the Year Ended 31 December 2015

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**4 Staff costs**

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

	<b>2015</b>	<b>2014</b>
	<b>No.</b>	<b>No.</b>
Average number of employees	<u>15</u>	<u>11</u>

Staff costs (including directors) consists of:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,036,451	901,909
Social security costs	102,585	76,266
Staff pensions	<u>43,140</u>	<u>35,869</u>
	<u>1,182,176</u>	<u>1,014,044</u>

**Sheridan Maine (South East) Limited**  
**Notes to the Financial Statements**  
for the Year Ended 31 December 2015

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**5 Taxation**

**Tax on profit on ordinary activities**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
Corporation tax charge	70,150	62,354
Adjustment relating to prior year	(40,788)	-
UK Corporation tax	29,362	62,354
Deferred tax credit	(3,915)	-
Total tax on profit on ordinary activities	<u>25,447</u>	<u>62,354</u>

**Factors affecting current tax charge for the year**

Tax on profit on ordinary activities for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%).

The differences are reconciled below:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	<u>316,319</u>	<u>277,355</u>
Corporation tax at standard rate	64,044	59,631
Capital allowances for year in excess of depreciation	574	(607)
Short term timing differences	2,401	(20)
Expenses not deductible for tax purposes	3,131	3,350
Adjustment relating to prior year	(40,788)	-
Total current tax	<u>29,362</u>	<u>62,354</u>

**6 Dividends**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Dividends paid</b>		
Interim dividend	<u>130,082</u>	<u>136,000</u>

**Sheridan Maine (South East) Limited**  
**Notes to the Financial Statements**  
for the Year Ended 31 December 2015

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**7 Tangible fixed assets**

	<b>Office equipment £</b>
<b>Cost or valuation</b>	
At 1 January 2015	38,655
Additions	31,019
At 31 December 2015	<u>69,674</u>
<b>Depreciation</b>	
At 1 January 2015	7,162
Charge for the year	14,429
At 31 December 2015	<u>21,591</u>
<b>Net book value</b>	
At 31 December 2015	<u>48,083</u>
At 31 December 2014	<u>31,493</u>

**Sheridan Maine (South East) Limited**  
**Notes to the Financial Statements**  
for the Year Ended 31 December 2015

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**8 Debtors**

	Note	2015 £	2014 £
Trade debtors		643,885	427,208
Deferred tax	10	3,915	-
Other debtors		929	948
Prepayments and accrued income		23,073	8,739
		<u>671,802</u>	<u>436,895</u>

The Company has assigned all trade debtors to Network Ventures Limited under a debt assignment agreement, with full recourse to the Company. Although under the terms of the debt assignment agreement these debtors are legally assigned to Network Ventures Limited, in accordance with UK accounting standard FRS 5 Reporting the Substance of Transactions, as the ultimate risks and rewards reside with the Company, the balance due from external customers has been reflected gross with an increase in the amounts due to group undertakings.

**9 Creditors: Amounts falling due within one year**

	Note	2015 £	2014 £
Amounts due to group undertakings	17	443,799	273,986
Corporation tax		29,341	103,164
Other creditors		14,460	2,619
Accruals and deferred income		65,571	82,695
		<u>553,171</u>	<u>462,464</u>

The amounts due to group undertakings are increased by £622,107 (2014 - £395,531) as a result of the treatment of trade debtors assigned to Network Ventures Limited (see note 8).

All amounts due to group undertakings are secured via an all monies debenture created in favour of Network Ventures Limited on 14 September 2012.

The Company is a subsidiary of a group that operates a central purchase ledger. Consequently, trade creditors of the Company are included within amounts due to group undertakings.

**Sheridan Maine (South East) Limited**  
**Notes to the Financial Statements**  
for the Year Ended 31 December 2015

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**10 Deferred tax**

The deferred taxation asset recognised (2014 - not recognised) in the financial statements is as follows:

	2015 £	2014 £
Accelerated capital allowances	1,143	(490)
Short term timing differences	2,772	400
	<u>3,915</u>	<u>(90)</u>

**11 Share capital**

	No.	2015 £	No.	2014 £
A Ordinary share of £1 each	508	508	508	508
B Ordinary share of £1 each	492	492	492	492
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

The A and B shares rank pari-passu in all respects.



**Sheridan Maine (South East) Limited**  
**Notes to the Financial Statements**  
for the Year Ended 31 December 2015

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**12 Reserves**

	<b>Profit and loss account £</b>
At 1 January 2015	4,924
Profit for the year	290,872
Dividends	<u>(130,082)</u>
At 31 December 2015	<u><u>165,714</u></u>

**13 Reconciliation of movement in shareholders' funds**

	<b>2015 £</b>	<b>2014 £</b>
Profit attributable to the members of the company	290,872	215,001
Dividends	<u>(130,082)</u>	<u>(136,000)</u>
Net addition to shareholders' funds	160,790	79,001
Shareholders' funds/(deficit) at 1 January	<u>5,924</u>	<u>(73,077)</u>
Shareholders' funds at 31 December	<u><u>166,714</u></u>	<u><u>5,924</u></u>

**14 Pension schemes**

**Defined contribution pension scheme**

The Company participates in a defined contribution pension scheme operated by Network Ventures Limited. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £43,140 (2014 - £35,869).

Contributions totalling £nil (2014 - £nil) were payable to the scheme at the end of the year and are included in creditors.

## **Sheridan Maine (South East) Limited**

### **Notes to the Financial Statements**

for the Year Ended 31 December 2015

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#### **15 Other financial commitments**

At 31 December 2015, the Company had annual commitments under non-cancellable operating leases expiring as set out below. In addition at 31 December 2015 the Company had provided indemnities to a related undertaking in respect of costs associated with premises utilised by the Company. The fixed annual amounts covered by the indemnity are included below.

	<b>Land and buildings</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Expiring:		
Within two and five years	<u>146,052</u>	<u>146,052</u>

The indemnity also covers contingent variable costs for the same period.

#### **16 Contingent liabilities**

The Company is party to a cross-guarantee associated with part of the group's banking facilities. At the balance sheet date the amount of borrowings under the guarantee is £15,718,689 (2014 - £13,010,044). The Company has granted a debenture as security for the above.

## **Sheridan Maine (South East) Limited**

### **Notes to the Financial Statements**

for the Year Ended 31 December 2015

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#### **17 Related party transactions**

During the year the company made the following related party transactions:

##### **Network Ventures Limited**

Network Ventures Limited is the immediate parent company of the Company.

During the year, recharges at cost of expenditure for goods and services were made to the Company from Network Ventures Limited amounting to £495,471 (2014 - £220,644) (including VAT). These recharges relate to centrally processed charges and include charges from external suppliers and other related parties.

The company received management services during the period from Network Ventures Limited under arms length agreements. The value of the services amounted to £191,795 (2014 - £140,226)

At the balance sheet date the amount due to Network Ventures Limited was £443,799 (2014 - £273,986).

##### **Pertemps Limited**

Pertemps Limited is a fellow subsidiary undertaking of the Company.

During the year, recharges at cost of expenditure for goods and services were made to the Company from Pertemps Limited and its subsidiaries amounting to £16,597 (2014 - £4,740) (including VAT). This is included in the recharge of expenditure figure included in the Network Ventures Limited section above.

##### **ESOS Net Limited**

ESOS Net Limited is a fellow subsidiary undertaking of the Company.

During the year, recharges at cost of expenditure for goods and services were made to the Company from ESOS Net Limited amounting to £12,077 (2014 - £11,734) (including VAT). This is included in the recharge of expenditure figure included in the Network Ventures Limited section above.

##### **P Investments Limited**

P Investments Limited had a common significant shareholder as the ultimate parent undertaking of the Company at the balance sheet date.

During the year, recharges at cost of expenditure for goods and services were made to the Company from P Investments Limited amounting to £374,541 (2014 - £165,268) (including VAT). This is included in the recharge of expenditure figure included in the Network Ventures Limited section above.

#### **18 Ultimate parent undertaking and controlling party**

The immediate parent undertaking at the balance sheet date was Network Ventures Limited, a company incorporated in England and Wales. The ultimate parent undertaking and controlling party at the balance sheet date was Pertemps Network Group Limited, a company incorporated in England and Wales. This is the largest group of which the Company is a member and for which group accounts are prepared. The smallest group of which the Company is a member and for which group accounts are prepared is Network Group Holdings Limited, a company incorporated in England and Wales. Copies of these accounts are available from the Registered Office as set out on page 1.