

INNER CIRCLE RECRUITMENT LIMITED
Annual Report and Financial Statements
for the 52 week Period 1 April 2017 to 30 March 2018

THURSDAY



L13 *L7L6SFG2* #23
20/12/2018
COMPANIES HOUSE

**Contents of the Financial Statements
for the 52 week period 1 April 2017 to 30 March 2018**

| | Page |
|---|-------------|
| Company Information | 1 |
| Strategic Report | 2 |
| Report of the Directors | 3 |
| Statement of Directors' Responsibilities | 6 |
| Report of the Independent Auditor | 7 |
| Income Statement | 9 |
| Other Comprehensive Income | 10 |
| Balance Sheet | 11 |
| Statement of Changes in Equity | 12 |
| Notes to the Financial Statements | 13 |

INNER CIRCLE RECRUITMENT LIMITED

Company Information
for the 52 week period 1 April 2017 to 30 March 2018

DIRECTORS:

A J Burchall
A Herron

SECRETARY:

G J A Dolan

REGISTERED OFFICE:

222 Bishopsgate
London
United Kingdom
EC2M 4QD

REGISTERED NUMBER:

08758376 (England and Wales)

AUDITOR:

Deloitte LLP
Statutory Auditor
London
United Kingdom
EC4A 3HQ

Strategic Report
for the 52 week period 1 April 2017 to 30 March 2018

The directors present the annual report and the audited financial statements for the 52 week period ended 30 March 2018.

REVIEW OF BUSINESS

The principal activity of the Company in the period under review was that of an employment and recruitment agency.

Revenue from continuing operations was £315k (2017: £1,636k) for the year. The Company delivered an operating profit of £nil (2017: £nil). The business is operated as a cost centre, supporting other Group companies in their supply of contractors to end clients and customers. During the period, the company transferred its placement and contract revenue to Synergy Recruitment Consultancy and therefore recorded a £nil gross margin and profit. Despite the transfer of revenue there is no intention to close the business and as such these financial statements have been prepared on a going concern basis.

At the year end the Company had shareholders' equity of £nil (2017: £nil).

Key performance indicators

| | 2018 £'000 | 2017 £'000 |
|------------------|---------------|---------------|
| Net fee income | 45 | 533 |
| Operating Profit | nil | nil |

PRINCIPAL RISKS AND UNCERTAINTIES

Economic and commercial risks

The directors have assessed the main risk facing the Company as being the combined challenge of regulatory and legislative change and pricing pressure in public sector markets in which fellow Group subsidiaries operate.

Technology systems

The Company is reliant on a number of technology systems in providing its services to clients. These systems are located both in-house and in various data centres. The business continues to review and enhance its ability to cope with the loss of a technology system as a result of a significant event.

Regulatory environment

The staffing industry is governed by high levels of regulatory compliance. Additionally, clients often require complex levels of compliance in their contractual arrangements. The group takes its responsibilities seriously, is committed to meeting all of its regulatory responsibilities, which include changes to taxation and national minimum wage legislation, and continues to develop internal controls and processes with respect to legal and contractual obligations.

FUTURE DEVELOPMENTS

The directors expect the general level of activity to remain minimal over the forthcoming period.

ON BEHALF OF THE BOARD:



.....
A J Burchall - Director

Date: 19 December 2018

**Report of the Directors
for the 52 week period 1 April 2017 to 30 March 2018**

The directors present their annual report with the audited financial statements of the Company for the period 1 April 2017 to 31 March 2018. An indication of likely future developments in the business of the Company, review of the performance of the Group and presentation of key performance indicators are included in the strategic report.

DIVIDENDS

No dividends were declared for the period ended 30 March 2018. (2017: £Nil)

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2017 to the date of this report.

A J Burchall
A Herron

GOING CONCERN

The company is dependent for its working capital on funds provided to it by Westminster Topco Limited, this company's ultimate parent Westminster Topco Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

DIRECTORS' INDEMNITIES

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

EXISTENCE OF BRANCHES OUTSIDE THE UK

The company does not have any branches outside of the UK.

**Report of the Directors
for the 52 week period 1 April 2017 to 30 March 2018**

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company makes little use of financial instruments other than operational bank accounts and invoice discounting. The company has in place a risk management programme that seeks to limit the adverse effect of the financial performance of the company by monitoring the level of debt finance and the related finance costs.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's financial department.

Credit risk

The Company's principal financial assets are bank balances and cash, trade and other debtors, and investments.

The Company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is constantly monitored to manage exposure.

The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

To maintain liquidity and ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

SUPPLIER PAYMENT POLICY

The company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensuring that suppliers are made aware of the terms of payment and abide by the terms of payment.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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 auditor is unaware, and
- the 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 its report and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

**Report of the Directors
for the 52 week period 1 April 2017 to 30 March 2018**

AUDITOR

Under section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

This Directors' Report was approved by the board on 19 December 2018 and signed on its behalf.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A J Burchall', is written over a horizontal dotted line.

A J Burchall - Director

Date: 19 December 2018

**Statement of Directors' Responsibilities
for the 52 week period 1 April 2017 to 30 March 2018**

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), including FRS 101 "Reduced Disclosure Framework". 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 the parent company financial statements, the directors are required to:

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

Report of the Independent Auditor to the Members of Inner Circle Recruitment Limited

Opinion

In our opinion the financial statements of Inner Circle Recruitment Ltd (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 March 2018 and of its result for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of other comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Report of the Independent Auditor to the Members of Inner Circle Recruitment Limited

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the directors have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the report of the directors.

Matters on which we are required to report by exception

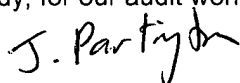
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

Use of our report

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.



Jason Partington ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London
United Kingdom
EC4A 3HQ

Date: 19 December 2018.

Income Statement
for the 52 week period 1 April 2017 to 30 March 2018

| | | Period 1.4.17 to 30.3.18 £'000 | Period 2.4.16 to 31.3.17 £'000 |
|--|-------|--|--|
| | Notes | | |
| REVENUE | 3 | 315 | 1,636 |
| Cost of sales | | <u>(270)</u> | <u>(1,103)</u> |
| GROSS PROFIT | | 45 | 533 |
| Administrative expenses | | <u>(45)</u> | <u>(533)</u> |
| OPERATING PROFIT and PROFIT BEFORE TAXATION | 5 | - | - |
| Tax on profit | 6 | <u>-</u> | <u>-</u> |
| PROFIT FOR THE FINANCIAL PERIOD | | <u><u>-</u></u> | <u><u>-</u></u> |

Results all derive from continued operations.

The notes form part of these financial statements

Other Comprehensive Income
for the period 52 week 1 April 2017 to 30 March 2018

| | Notes | Period 1.4.17 to 30.3.18 £'000 | Period 2.4.16 to 31.3.17 £'000 |
|--|-------|--|--|
| PROFIT FOR THE PERIOD | | - | - |
| OTHER COMPREHENSIVE INCOME | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | | - | - |

The notes form part of these financial statements

Balance Sheet
30 March 2018

| | Notes | 2018 £'000 | 2017 £'000 |
|--|-------|---------------|---------------|
| CURRENT ASSETS | | | |
| Debtors | 7 | 48 | 113 |
| Prepayments and accrued income | | 20 | 19 |
| Cash at bank | | <u>32</u> | <u>54</u> |
| | | 100 | 186 |
| CREDITORS | | | |
| Amounts falling due within one year | 8 | <u>(100)</u> | <u>(186)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>-</u> | <u>-</u> |
| CAPITAL AND RESERVES | | <u>-</u> | <u>-</u> |

The financial statements were approved by the Board of Directors on 19 December 2018 and were signed on its behalf by:


.....
A J Burchall - Director

**Statement of Changes in Equity
for the period 1 April 2017 to 30 March 2018**

| | Share capital £'000 | Retained earnings £'000 | Total equity £'000 |
|--|---------------------------|-------------------------------|--------------------------|
| Balance at 2 April 2016 | | | |
| Changes in equity | | | |
| Profit for the period and total comprehensive income | - | - | - |
| Balance at 31 March 2017 | - | - | - |
| Changes in equity | | | |
| Profit for the period and total comprehensive income | - | - | - |
| Balance at 30 March 2018 | - | - | - |

The notes form part of these financial statements

**Notes to the Financial Statements
for the period 1 April 2017 to 30 March 2018**

1. STATUTORY INFORMATION

Inner Circle Recruitment Limited (the Company) is a private company, limited by shares, registered in England and Wales and incorporated in the United Kingdom under the Companies Act. The company's registered number and registered office address can be found on the Company Information page.

The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 2.

These financial statements are presented in pound sterling because is that the currency of the primary economic environment in which the company operates.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Company meets the definition of a qualifying entity under FRS 100 Application of Financial Reporting requirements issued by the financial Reporting Council.

In the current year, the Company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective during the year. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows.

Going concern

The company is dependent for its working capital on funds provided to it by Westminster Topco Limited, this company's ultimate parent Westminster Topco Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

**Notes to the Financial Statements - continued
for the period 1 April 2017 to 30 March 2018**

2. ACCOUNTING POLICIES - continued

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the company's accounting policies

In the course of preparing the financial statements, no judgements have been made in the process of applying the Company's accounting policies, other than those involving estimations (see below) that have had a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

We consider there to be no material key assumptions concerning the future or any other key sources of estimation uncertainty at the reporting period.

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts earned for provision of contract staff, permanent staff and related services, provided in the normal course of business, net of discounts and VAT.

Revenue arising from temporary placements is recognised over the period that temporary workers are provided and represents the amounts billed for the services of the temporary workers, including the remuneration costs of the temporary workers.

Revenue arising from the placement of permanent candidates is recognised at the time the candidate commences full-time employment.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are initially recognised at fair value and are carried at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. Trade receivables subject to the invoice discounting facility are recognised in the Balance Sheet until they are settled by the customer.

Notes to the Financial Statements - continued
for the period 1 April 2017 to 30 March 2018

2. **ACCOUNTING POLICIES - continued**

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and overdrafts.

Trade payables

Trade payables are initially recognised at fair value and are carried at amortised cost.

Borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable issue costs. Finance charges, including premiums payable on settlement or redemption and direct-issue costs, are accounted for on an accrual basis in the income statement using the effective interest rate method.

Taxation

The tax expense represents the sum of the tax currently payable and the deferred tax charge.

Provision is made for current tax on taxable profits for the period. Taxable profit differs from profit before taxation as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on all temporary differences. Deferred tax assets are recognised only to the extent that it is probable that taxable profits will be available against which to offset the deductible temporary differences. Deferred tax is calculated at the tax rates that are enacted or substantively enacted by the balance sheet date and are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity or to other comprehensive income, in which case the related deferred tax is also dealt with in equity or in other comprehensive income.

Temporary differences arise where there is a difference between the accounting carrying value in the statement of financial position and the amount attributed to that asset or liability for tax purposes.

Interest income and expense

All interest income and expenses are recognised in the income statement in the period in which it is incurred using the effective interest method. Arrangement fees incurred in respect of borrowings are amortised over the term of the agreement.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Share capital is determined using the nominal value of shares that have been issued.

Retained earnings include all current and prior year results as disclosed in the statement of comprehensive income.

Notes to the Financial Statements - continued
for the period 1 April 2017 to 30 March 2018

3. **REVENUE**

Revenue is wholly attributable to the principal activity of the Company and arises in the United Kingdom.

Revenue attributable to the placement of temporary workers was £314k (2017: £nil) and revenue attributable to permanent placements was £nil (2017: £nil).

4. **EMPLOYEES AND DIRECTORS**

| | Period 1.4.17 to 30.3.18 £'000 | Period 2.4.16 to 31.3.17 £'000 |
|--------------------|--|--|
| Wages and salaries | <u>270</u> | <u>-</u> |

The average monthly number of employees during the period was as follows:

| Period 1.4.17 to 30.3.18 | Period 2.4.16 to 31.3.17 |
|-----------------------------------|-----------------------------------|
| <u>-</u> | <u>-</u> |

The company had no staff members in the year under review.

During the year under review the directors did not receive any remuneration for their services.

5. **PROFIT BEFORE TAXATION**

The profit before taxation is stated after charging:

| | Period 1.4.17 to 30.3.18 | Period 2.4.16 to 31.3.17 |
|--|-----------------------------------|-----------------------------------|
| Fees payable to the company's auditor and its associates for the audit of the company's financial statements | <u>7</u> | <u>3</u> |

Amounts payable to the Company's auditor in respect of services other than the audit of the Company's financial statements, have not been disclosed as the information is disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, Westminster Topco Limited.

Notes to the Financial Statements - continued
for the period 1 April 2017 to 30 March 2018

6. **TAXATION**

Analysis of tax expense

No liability to UK corporation tax arose for the period ended 30 March 2018 nor for the period ended 31 March 2017.

Factors that may affect future tax charges

The UK corporation tax rate will reduce to 17% by 2020. A reduction in the rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015, and a further reduction to 17% (effective from 1 April 2020) was also substantively enacted in the Finance Act 2016.

This will reduce the Company's future current tax charge accordingly.

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2018 £'000 | 2017 £'000 |
|------------------------------------|---------------|---------------|
| Trade debtors | 45 | 110 |
| Amounts owed by group undertakings | 1 | - |
| Other debtors | 2 | 3 |
| | <u>48</u> | <u>113</u> |

Trade and other receivables are subject to credit risk exposure. An allowance for impairment is made, on a customer by customer basis, where there is, based on previous experience, evidence of a likely reduction in the recoverability. The Company's exposure is spread over a large number of customers.

The fair value of these short term financial assets is not individually determined as the carrying amount is a reasonable approximation of fair value.

At the year end the Company was owed £1k (2017: £nil) by group undertakings. These are non interest bearing, unsecured and non payable on demand.

Management assess credit risk by using an external credit referencing agency to determine risk on each client and to apply an appropriate credit limit to that client. Management hold a 90 day debt review monthly, in which it reviews any client at or over their credit limit and take appropriate action. Management believe there to be minimal risk in the current profile and that sufficient provision has been made.

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2018 £'000 | 2017 £'000 |
|------------------------------------|---------------|---------------|
| Trade creditors | - | 10 |
| Amounts owed to group undertakings | 73 | 146 |
| Social security and other taxes | 7 | 27 |
| Other creditors | 18 | 1 |
| Accruals and deferred income | 2 | 2 |
| | <u>100</u> | <u>186</u> |

At the year end the Company owed £73k (2017: 146k) to group undertakings. These are non interest bearing, unsecured and non payable in demand.

Notes to the Financial Statements - continued
for the period 1 April 2017 to 30 March 2018

9. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | Nominal value: | 2018 £ | 2017 £ |
|----------------------------------|------------|-------------------|-----------|-----------|
| Number: | Class: | | | |
| 100 | Ordinary A | £0.01 | <u>1</u> | <u>1</u> |

10. RESERVES

| | Retained earnings £'000 |
|-----------------------|-------------------------------|
| Profit for the period | <u>-</u> |
| At 30 March 2018 | <u>-</u> |

11. RELATED PARTY DISCLOSURES

During the year the company had receipts of £19,960 (2017: £165,243) from Synergy Recruitment Consultancy Limited, a company who is majority owned by this company's parent. The amount due to Synergy Recruitment Consultancy Limited at 30 March 2018 was £21,685 (2017: due from £1,725).

During the year the company made payments of £105,000 (2017: £nil) on behalf of EWI Recruitment Limited, a company that is majority owned by this company's parent. The amount due to EWI Recruitment Limited at 30 March 2018 was £35,000 (2017: £nil).

During the year the company received recruitment services of £nil (2017: £362,832) from Caritas Recruitment Limited a company who is majority owned by nGAGE Specialist Recruitment Limited. The amount due to Caritas Recruitment Limited at 30 March 2018 was £nil (2017: £nil).

During the year the company had receipts of £1,621 (2017: £nil) from nGAGE Specialist Recruitment Limited. The amount due to nGAGE Specialist Recruitment Limited at 30 March 2018 was £1,668 (2017: £nil).

During the year the company made payments of £631 (2017: £nil) on behalf of nGAGE Operations Limited. The amount due from nGAGE Operations Limited at 30 March 2018 was £512 (2017: £nil).

During the year the company had receipts of £10,216 (2017: £nil) from Eden Brown Limited. The amount due to Eden Brown Limited at 30 March 2018 was £14,444 (2017: £nil).

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company is owned by nGAGE Specialist Recruitment Limited, which is the immediate parent Company. The ultimate parent Company is Westminster Topco Limited. The A1 ordinary shares in Westminster Topco Limited are held by funds managed by Graphite Capital. None of the funds individually has an ultimate controlling stake in Westminster Topco Limited. No individual holds more than 20% of the share capital of the company. Hence, the Directors consider that there is no ultimate controlling party of the Company.

The smallest company into which the results of the Company are consolidated is nGAGE Specialist Recruitment Limited and the largest company is Westminster Topco Limited. The consolidated financial statements of both groups are available to the public and may be obtained from their registered offices at 222 Bishopsgate, London, United Kingdom, EC2M 4QD.

Notes to the Financial Statements - continued
for the period 1 April 2017 to 30 March 2018

13. **POST BALANCE SHEET EVENTS**

There were no post balance sheet events.