

Registration number: SC214658

Aberdeen Appointments Agency Limited

Directors' Report and Financial Statements

for the Year Ended 31 March 2013

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COMPANIES HOUSE

Simpson Forsyth
Chartered Accountants and Statutory Auditor
52 - 54 Queen's Road
Aberdeen
AB15 4YE

Aberdeen Appointments Agency Limited
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Aberdeen Appointments Agency Limited
Directors' Report for the Year Ended 31 March 2013

The directors present their report and the financial statements for the year ended 31 March 2013.

Directors of the company

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

Mr P J A Smith

Mr A J Porter

Mr S C McWilliam (resigned 12 July 2013)

Mrs A Porter (appointed 1 November 2012)

Principal activity

The principal activity of the company is that of a recruitment agency.

Business review

Fair review of the business

The company has had a successful year, with turnover increasing by 5% on the previous year, from £13,289,254 to £13,991,547. There has been a significant increase in the market for permanent placements which reflects trends within the local recruitment market. The gross profit margin has increased in the year, from 23% to 28%.

Overheads have increased due to the increasing workload borne by recruitment consultants, however the directors are pleased to note that operating profit is much improved at £1,543,066, compared to £1,108,979 in 2012.

The immediate outlook for the recruitment industry remains positive and the directors are confident of continued strong trading performance in the current year as the market continues to recover during 2013/14.

Aberdeen Appointments Agency Limited
Directors' Report for the Year Ended 31 March 2013

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Financial risk management, objectives and policies

Price risk, credit risk, liquidity risk and cash flow risk

The company's activities expose it to a number of human resources and financial risks, including people, placement risk, credit risk and liquidity risk.

People

The company is exposed to the risk of resignation of key individuals which could adversely affect the company's results. The risk is alleviated through succession planning and continuous training of recruitment consultants.

Placement risk

Much of the company's fee income is contingent upon the successful placement of a candidate in a position. If a client cancels an assignment at any stage in the process, the company receives no income.

Credit risk

The company's financial assets are trade and other receivables.

The company's credit risk is primarily attributable to its trade receivables. 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 company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and clients.

Liquidity risk

In order to maintain liquidity and to 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.

Charitable donations

During the year the company made charitable donations of £2,302 (2012 - £7,449), principally to local charities serving the communities in which the company operates.

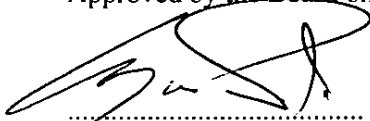
Disclosure of information to the auditor

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.

Aberdeen Appointments Agency Limited
Directors' Report for the Year Ended 31 March 2013

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Approved by the Board on 20 December 2013 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'A J Porter', written over a horizontal dotted line.

Mr A J Porter
Director

Aberdeen Appointments Agency Limited
Statement of 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 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; 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 Shareholder of Aberdeen Appointments Agency Limited

We have audited the financial statements of Aberdeen Appointments Agency Limited for the year ended 31 March 2013, set out on pages 7 to 20. 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 shareholder, 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 shareholder 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 shareholder, 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 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.

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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2013 and of its 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.

**Independent Auditor's Report to the Shareholder of
Aberdeen Appointments Agency 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.



ANDREW FORSYTH (Senior Statutory Auditor)
For and on behalf of Simpson Forsyth, Statutory Auditor

52 - 54 Queen's Road
Aberdeen
AB15 4YE

20 December 2013

Aberdeen Appointments Agency Limited
Profit and Loss Account for the Year Ended 31 March 2013

	Note	2013 £	2012 £
Turnover	2	13,991,547	13,289,254
Cost of sales		<u>(10,092,262)</u>	<u>(10,276,964)</u>
Gross profit		3,899,285	3,012,290
Administrative expenses		(2,356,219)	(1,906,454)
Other operating income		<u>-</u>	<u>3,143</u>
Operating profit	3	1,543,066	1,108,979
Other interest receivable and similar income	6	1,579	118
Interest payable and similar charges	7	<u>(34,074)</u>	<u>(39,267)</u>
Profit on ordinary activities before taxation		1,510,571	1,069,830
Tax on profit on ordinary activities	8	<u>(377,065)</u>	<u>(286,923)</u>
Profit for the financial year	17	<u><u>1,133,506</u></u>	<u><u>782,907</u></u>

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 9 to 20 form an integral part of these financial statements.

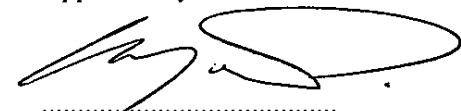
Aberdeen Appointments Agency Limited

(Registration number: SC214658)

Balance Sheet at 31 March 2013

	Note	2013 £	2012 £
Fixed assets			
Tangible fixed assets	9	173,853	111,697
Investments	10	<u>1,750</u>	<u>1,750</u>
		<u>175,603</u>	<u>113,447</u>
Current assets			
Debtors	11	6,159,066	5,949,443
Cash at bank and in hand		<u>318,272</u>	<u>58,817</u>
		6,477,338	6,008,260
Creditors: Amounts falling due within one year	12	<u>(1,726,517)</u>	<u>(1,963,361)</u>
Net current assets		<u>4,750,821</u>	<u>4,044,899</u>
Total assets less current liabilities		4,926,424	4,158,346
Creditors: Amounts falling due after more than one year	13	(51,309)	(30,909)
Provisions for liabilities	14	<u>(13,414)</u>	<u>(17,960)</u>
Net assets		<u>4,861,701</u>	<u>4,109,477</u>
Capital and reserves			
Called up share capital	15	37,500	37,500
Profit and loss account	17	<u>4,824,201</u>	<u>4,071,977</u>
Shareholders' funds	18	<u>4,861,701</u>	<u>4,109,477</u>

Approved by the Board on 20 December 2013 and signed on its behalf by:



 Mr A J Porter
 Director

The notes on pages 9 to 20 form an integral part of these financial statements.

Aberdeen Appointments Agency Limited
Notes to the Financial Statements for the Year Ended 31 March 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group.

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review which forms part of the directors' report. The directors' report also describes the financial position of the company and its financial risk management objectives, and its exposure to credit risk and liquidity risk.

In response to challenging market conditions the directors actively monitor the performance of the company through the preparation of monthly management accounts which are reviewed in comparison to forecasts. The company is trading profitably and the directors expect this to continue. In addition the directors note that there is a significant proportion of recurring work within temporary placements supporting future revenue forecasts.

Taking all factors into account the directors are confident that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Turnover

The turnover shown in the profit and loss account represents amounts earned during the year for temporary placements and permanent placements, both of which are exclusive of Value Added Tax.

Turnover from temporary placements is recognised as the service is provided and represents amounts billed for the services of temporary staff, which includes the salary costs for these staff.

Turnover from permanent placements is derived from retained assignments (income recognised on completion of defined stages of work) and non-retained assignments (income recognised at the date an offer is accepted by a candidate and where a start date has been determined). The turnover recognised is based on a percentage of the candidate's remuneration package. It is company policy to defer turnover recognised on non-retained assignments where a start date has yet to be determined at the balance sheet date, with the deferment correspondingly accrued on the balance sheet within other creditors.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Property improvements	reducing balance 20%
Fixtures and fittings	reducing balance 20%
Motor vehicles	reducing balance 20%

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Hire purchase and leasing

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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.

Pensions

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

2 Turnover

An analysis of turnover by geographical location is given below:

	2013	2012
	£	£
Sales - UK	<u>13,991,547</u>	<u>13,289,254</u>

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

3 Operating profit

Operating profit is stated after charging:

	2013 £	2012 £
Operating leases - plant and machinery	7,655	7,498
Operating leases - other assets	42,004	31,260
Auditor's remuneration - The audit of the company's annual accounts	14,500	14,400
Depreciation	<u>35,375</u>	<u>15,782</u>

4 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2013 No.	2012 No.
Administration and support	8	8
Production	25	23
Other departments	<u>3</u>	<u>3</u>
	<u>36</u>	<u>34</u>

The aggregate payroll costs were as follows:

	2013 £	2012 £
Wages and salaries	1,488,360	1,100,226
Social security costs	128,016	127,030
Staff pensions	<u>136,346</u>	<u>102,196</u>
	<u>1,752,722</u>	<u>1,329,452</u>

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

5 Directors' remuneration

The directors' remuneration for the year was as follows:

	2013 £	2012 £
Remuneration (including benefits in kind)	115,987	88,850
Company contributions paid to money purchase schemes	<u>113,674</u>	<u>90,546</u>

During the year the number of directors who were accruing benefits under pension schemes was as follows:

	2013 No.	2012 No.
Accruing benefits under money purchase pension scheme	<u>3</u>	<u>3</u>

In respect of the highest paid director:

	2013 £	2012 £
Remuneration	65,142	-
Company contributions to money purchase pension schemes	<u>50,220</u>	<u>-</u>

6 Other interest receivable and similar income

	2013 £	2012 £
Bank interest receivable	129	104
Other interest receivable	<u>1,450</u>	<u>14</u>
	<u>1,579</u>	<u>118</u>

7 Interest payable and similar charges

	2013 £	2012 £
Interest on bank borrowings	30,644	39,267
Finance charges	<u>3,430</u>	<u>-</u>
	<u>34,074</u>	<u>39,267</u>

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

8 Taxation

Tax on profit on ordinary activities

	2013	2012
	£	£
Current tax		
Corporation tax charge	381,610	283,800
Adjustments in respect of previous years	<u>-</u>	<u>(7,595)</u>
UK Corporation tax	381,610	276,205
Deferred tax		
Origination and reversal of timing differences	<u>(4,545)</u>	<u>10,718</u>
Total tax on profit on ordinary activities	<u><u>377,065</u></u>	<u><u>286,923</u></u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is higher than (2012 - lower than) the standard rate of corporation tax in the UK of 24% (2012 - 26%).

The differences are reconciled below:

	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>1,510,571</u>	<u>1,069,830</u>
Corporation tax at standard rate	362,537	278,156
Depreciation in excess of capital allowances	3,962	(12,053)
Other short-term timing differences	-	(162)
Expenses not deductible for tax purposes	15,109	23,652
Marginal relief	<u>-</u>	<u>(5,793)</u>
Total current tax	<u><u>381,608</u></u>	<u><u>283,800</u></u>

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

9 Tangible fixed assets

	Property improvements £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2012	31,311	298,246	-	329,557
Additions	<u>-</u>	<u>4,531</u>	<u>93,000</u>	<u>97,531</u>
At 31 March 2013	<u>31,311</u>	<u>302,777</u>	<u>93,000</u>	<u>427,088</u>
Depreciation				
At 1 April 2012	19,912	197,948	-	217,860
Charge for the year	<u>2,280</u>	<u>20,695</u>	<u>12,400</u>	<u>35,375</u>
At 31 March 2013	<u>22,192</u>	<u>218,643</u>	<u>12,400</u>	<u>253,235</u>
Net book value				
At 31 March 2013	<u>9,119</u>	<u>84,134</u>	<u>80,600</u>	<u>173,853</u>
At 31 March 2012	<u>11,399</u>	<u>100,298</u>	<u>-</u>	<u>111,697</u>

Leased assets

Included within the net book value of tangible fixed assets is £122,282 (2012 - £52,103) in respect of assets held under hire purchase contracts. Depreciation for the year on these assets was £22,821 (2012 - £883).

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

10 Investments held as fixed assets

	2013	2012
	£	£
Other investments	<u>1,750</u>	<u>1,750</u>
Other investments		
	Unlisted	Total
	investments	£
	£	
Cost		
At 1 April 2012	<u>1,750</u>	<u>1,750</u>
At 31 March 2013	<u>1,750</u>	<u>1,750</u>
Net book value		
At 31 March 2013	<u>1,750</u>	<u>1,750</u>
At 31 March 2012	<u>1,750</u>	<u>1,750</u>

11 Debtors

	2013	2012
	£	£
Trade debtors	2,143,385	2,010,399
Amounts owed by group undertakings	3,899,373	3,770,421
Directors' current accounts	85,300	1,263
Prepayments and accrued income	<u>31,008</u>	<u>167,360</u>
	<u>6,159,066</u>	<u>5,949,443</u>

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

12 Creditors: Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	203,658	209,181
Bank overdrafts	1,984	400,869
Obligations under hire purchase contracts	33,412	22,078
Corporation tax	381,610	283,801
Other taxes and social security	716,989	729,384
Other creditors	261,938	255,598
Accruals and deferred income	<u>126,926</u>	<u>62,450</u>
	<u>1,726,517</u>	<u>1,963,361</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company:

	2013	2012
	£	£
Bank overdrafts	1,984	400,869
HP agreements	<u>33,412</u>	<u>22,078</u>
	<u>35,396</u>	<u>422,947</u>

Bank overdrafts are secured by a bond and floating charge over all assets of the company.

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

13 Creditors: Amounts falling due after more than one year

	2013	2012
	£	£
Obligations under hire purchase contracts	<u>51,309</u>	<u>30,909</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the company:

	2013	2012
	£	£
HP agreements	<u>51,309</u>	<u>30,909</u>

Obligations under HP contracts

Amounts repayable:

	2013	2012
	£	£
In one year or less on demand	33,412	22,078
Between one and two years	<u>51,309</u>	<u>30,909</u>
	<u>84,721</u>	<u>52,987</u>

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

14 Provisions

	Deferred tax £	Total £
At 1 April 2012	17,960	17,960
Utilised during the year	<u>(4,546)</u>	<u>(4,546)</u>
At 31 March 2013	<u>13,414</u>	<u>13,414</u>

Analysis of deferred tax

	2013 £	2012 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>13,414</u>	<u>17,960</u>

15 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No.	£	No.	£
Ordinary shares of £1 each	<u>37,500</u>	<u>37,500</u>	<u>37,500</u>	<u>37,500</u>

16 Dividends

	2013 £	2012 £
Equity dividends		
Current year dividend paid	<u>381,282</u>	<u>310,320</u>

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

17 Reserves

	Profit and loss account £	Total £
At 1 April 2012	4,071,977	4,071,977
Profit for the year	1,133,506	1,133,506
Dividends	<u>(381,282)</u>	<u>(381,282)</u>
At 31 March 2013	<u>4,824,201</u>	<u>4,824,201</u>

18 Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Profit attributable to the members of the company	1,133,506	782,907
Dividends	<u>(381,282)</u>	<u>(310,320)</u>
Net addition to shareholders' funds	752,224	472,587
Shareholders' funds at 1 April	<u>4,109,477</u>	<u>3,636,890</u>
Shareholders' funds at 31 March	<u>4,861,701</u>	<u>4,109,477</u>

19 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £136,346 (2012 - £102,196).

Aberdeen Appointments Agency Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

20 Commitments

Operating lease commitments

As at 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2013	2012
	£	£
Land and buildings		
Within one year	33,000	-
Within two and five years	-	33,000
	<u>33,000</u>	<u>33,000</u>
Other		
Within one year	3,727	15,907
Within two and five years	38,599	22,456
	<u>42,326</u>	<u>38,364</u>

21 Related party transactions

During the year the company advanced £85,000 to Mr A Porter, a director. This is still outstanding at the year end. No interest is due on this balance which is repayable on demand.

In addition, sundry costs incurred in prior years on behalf of directors were partly repaid and expenses were incurred on behalf of the directors of £600. The balance due to the company at 31 March 2013 was £300 (2012 - £1,262).

During the year, the company paid rent of £33,000 (2012 - £24,750) to Mr P Smith, a director.

The company is included in the consolidated accounts of AAA Group Limited. Transactions with the parent company are therefore not disclosed in these financial statements.

22 Control

The company is controlled by AAA Group Limited, a company incorporated in Scotland.