

Registration number: SC319102

AAA Group Limited

Directors' Report and Group Financial Statements

for the Year Ended 31 March 2013

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



AAA Group Limited

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AAA Group Limited

Directors' Report for the Year Ended 31 March 2013

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

Directors of the company

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

Mr A J Porter

Mr S C McWilliam (resigned 12 July 2013)

Mr P J A Smith

Mrs A Porter (appointed 1 November 2012)

Principal activities

The principal activity of the group during the year was that of a recruitment agency.

Business review

Fair review of the business

The group 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 £1,403,396, compared to £973,285 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.

Principal risks and uncertainties

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

People

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

Placement risk

Much of the group'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 group receives no income.

Credit risk

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

The group'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

AAA Group Limited

Directors' Report for the Year Ended 31 March 2013

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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 group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and clients.

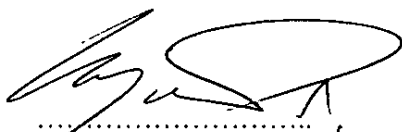
Liquidity risk

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

Disclosure of information to the auditor

The directors have taken steps that they ought to have taken as a directors 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 confirms that there is no relevant information that they know of and of which they know the auditor is unaware.

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



.....
Mr A J Porter
Director

AAA Group 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 group at the end of the year and of the group's profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Shareholders of AAA Group Limited

We have audited the group and parent company financial statements (the "financial statements") of AAA Group Limited for the year ended 31 March 2013 set out on pages 6 to 21. 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by 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 group's and the parent company's affairs as at 31 March 2013 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Shareholders of

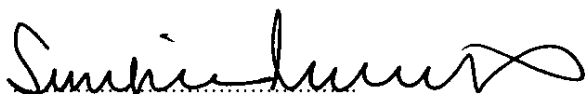
AAA Group Limited

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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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



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

52 - 54 Queen's Road
Aberdeen
AB15 4YE

Date: 20/12/13

AAA Group Limited

Group 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		(10,092,262)	(10,276,964)
Gross profit		3,899,285	3,012,290
Administrative expenses		(2,495,889)	(2,042,148)
Other operating income		-	3,143
Group operating profit	3	1,403,396	973,285
Interest receivable and similar income	6	1,579	118
Interest payable and similar charges	7	(34,074)	(39,267)
Profit on ordinary activities before taxation		1,370,901	934,136
Tax on profit on ordinary activities	8	(377,065)	(286,923)
Profit for the financial year	18	993,836	647,213

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

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

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

The notes on pages 11 to 21 form part of these financial statements.


AAA Group Limited

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Group Balance Sheet at 31 March 2013

	Note	2013 £	2012 £
Fixed assets			
Intangible fixed assets	9	1,351,236	1,482,954
Tangible fixed assets	10	173,853	111,697
Investments	11	1,750	1,750
		<u>1,526,839</u>	<u>1,596,401</u>
Current assets			
Debtors	12	2,259,692	2,179,021
Cash at bank and in hand		318,272	58,817
		<u>2,577,964</u>	<u>2,237,838</u>
Creditors: amounts falling due within one year	13	(2,150,016)	(2,084,361)
Net current assets/(liabilities)		<u>427,948</u>	<u>153,477</u>
Total assets less current liabilities		<u>1,954,787</u>	<u>1,749,878</u>
Creditors: Amounts falling due after more than one year	14	(51,309)	(454,408)
Provisions for liabilities	15	(13,414)	(17,960)
		<u>1,890,064</u>	<u>1,277,510</u>
Capital and reserves			
Called-up equity share capital	16	100	100
Profit and loss account	18	1,889,964	1,277,410
Shareholders' funds	19	<u>1,890,064</u>	<u>1,277,510</u>

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



Mr A J Porter
Director

The notes on pages 11 to 21 form part of these financial statements.

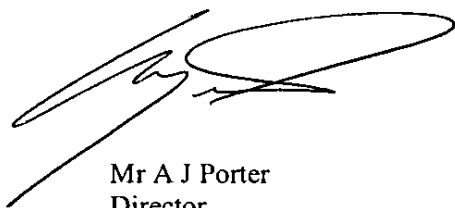
AAA Group Limited

(Registration number: SC319102)

Company Balance Sheet at 31 March 2013

	Note	2013 £	2012 £
Fixed assets			
Investments	11	5,000,000	5,000,000
Creditors: amounts falling due within one year	13	(4,322,873)	(3,891,421)
Total assets less current liabilities		677,127	1,108,579
Creditors: Amounts falling due after more than one year	14	-	(423,500)
		<u>677,127</u>	<u>685,079</u>
Capital and reserves			
Called-up equity share capital	16	100	100
Profit and loss account	18	677,027	684,979
Shareholders' funds		<u>677,127</u>	<u>685,079</u>

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



Mr A J Porter
Director

The notes on pages 11 to 21 form part of these financial statements.

AAA Group Limited

Group Cash Flow Statement for the Year Ended 31 March 2013

Cash flow statement

	Note	2013 £	2012 £
Reconciliation of operating profit to net cash flow from operating activities			
Operating profit		1,403,396	973,285
Amortisation of goodwill		131,718	131,718
Depreciation		35,375	15,782
Increase in debtors		(80,671)	(376,885)
Increase in creditors		52,895	284,405
Net cash inflow from operating activities		1,542,713	1,028,305
Returns on investments and servicing of finance			
Interest received		1,579	118
Interest paid		(30,644)	(39,267)
Interest element of hire purchase		(3,430)	-
		(32,495)	(39,149)
Taxation paid		(283,801)	(219,535)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(34,531)	-
Equity dividends paid		(381,282)	(310,320)
Net cash inflow before management of liquid resources and financing		810,604	459,301
Financing			
Repayment of bank loans		-	(150,000)
Repayment of other loans		(121,000)	(114,052)
Capital element of hire purchase		(31,264)	-
		(152,264)	(264,052)
Increase in cash	22	658,340	195,249

The notes on pages 11 to 21 form part of these financial statements.

AAA Group Limited

Group Cash Flow Statement for the Year Ended 31 March 2013

Reconciliation of net cash flow to movement in net debt

	Note	2013 £	2012 £
Increase in cash		658,340	195,249
Cash outflow from repayment of loans		-	150,000
Cash outflow from other loans		121,000	114,052
Cash outflow in respect of hire purchase		31,264	
Change in net debt resulting from cash flows		810,604	459,301
New hire purchase agreements		(63,000)	(52,985)
Movement in net debt	22	747,604	406,316
Net debt at 1 January	22	(939,537)	(1,345,853)
Net debt at 31 December	22	(191,933)	(939,537)

The notes on pages 11 to 21 form part of these financial statements.

AAA Group 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 and in accordance with applicable accounting standards.

The director's report on pages 1 to 2 outlines the group's business activities, together with the factors likely to affect its future development, performance and position, the group's principal risks and uncertainties and details of its financial instruments.

In response to challenging market conditions the directors actively monitor the performance of the group through the preparation of monthly management accounts which are reviewed in comparison to forecasts. The group 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 group has adequate resources to continue in existence for the foreseeable future. Accordingly they continue to use the going concern basis in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the accounts of the parent company and its subsidiary undertakings. The results of companies acquired or disposed of are consolidated for the periods from the date that control passes. Acquisitions are accounted for under the acquisition method.

Turnover

The turnover shown in the group 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 of 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.

Goodwill

Goodwill arising on the purchase of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised in the year in which it arises and amortised over its estimated useful life. Provision is made for any impairment.

AAA Group Limited

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

Amortisation

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

Goodwill	20 years straight line
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Tangible fixed assets

All tangible fixed assets are initially recorded at cost.

Depreciation

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

Asset class	Depreciation method and rate
Property Improvements	20% reducing balance
Fixtures & Fittings	20% reducing balance
Motor vehicles	20% reducing balance

Fixed asset investments

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

Deferred taxation

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 FRS 19.

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 risk 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 either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Pension costs

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

AAA Group Limited

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

2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	2013 £	2012 £
United Kingdom	<u>13,991,547</u>	<u>13,289,254</u>

3 Group operating profit

Group operating profit is stated after charging/(crediting):

	2013 £	2012 £
Amortisation of goodwill	131,718	131,718
Depreciation of fixed assets	35,375	15,782
Auditor's remuneration	14,500	14,400
Operating lease costs:		
- hire of plant and equipment	7,655	7,498
- other operating leases	<u>42,004</u>	<u>31,260</u>

4 Particulars of employees

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

	2013 No.	2012 No.
Number of management staff	3	3
Number of administration staff	8	8
Number of client services staff	<u>25</u>	<u>23</u>
	<u>36</u>	<u>34</u>

The aggregate payroll costs of the above were as follows:

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

AAA Group Limited

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

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 pensions schemes was as follows:

	2013	2012
	No.	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 borrowing	30,644	39,267
Finance charges	<u>3,430</u>	<u>-</u>
	<u>34,074</u>	<u>39,267</u>

AAA Group Limited

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

8 Taxation on profit on ordinary activities

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

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is higher 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>1,370,901</u>	<u>934,136</u>
Corporation tax at standard rate	329,016	242,875
Expenses not deductible for tax purposes	140,065	138,582
Depreciation in excess of capital allowances	3,962	(12,053)
Exempt dividend income	(91,436)	(80,683)
(Under)/over provisions in prior year	-	(7,595)
Short term timing differences	3	(162)
Income not taxable	-	1,034
Marginal relief	-	(5,793)
Total current tax	<u>381,610</u>	<u>276,205</u>

AAA Group Limited

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

9 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 April 2012 and 31 March 2013	<u>2,239,206</u>
Amortisation	
At 1 April 2012	756,252
Charge for the year	131,718
At 31 March 2013	<u>887,970</u>
Net book value	
At 31 March 2013	<u>1,351,236</u>
At 31 March 2012	<u>1,482,954</u>

10 Tangible fixed assets

Group	Property improvements £	Fixtures & fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2012	31,311	298,246	-	329,557
Additions	-	4,531	93,000	97,531
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	2,280	20,695	12,400	35,375
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) relating to assets held under hire purchase agreements. Depreciation for the year on these assets was £22,821 (2012 - £883).

AAA Group Limited

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

11 Investments held as fixed assets

Group

	Unlisted Investments £
Cost	
At 1 April 2012 and 31 March 2013	<u>1,750</u>
Net book value	
At 31 March 2012 and 31 March 2013	<u>1,750</u>

Company

	Subsidiary Undertakings £
Cost	
At 1 April 2012	5,000,000
Additions	7,952
At 31 March 2013	<u>5,007,952</u>
Provision for impairment	
Charge for the year	<u>7,952</u>
Net book value	
At 31 March 2013	<u>5,000,000</u>
At 31 March 2012	<u>5,000,000</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertakings	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Aberdeen Appointments Agency Limited	Ordinary shares	100%	Recruitment agency
Aberdeen Accounting Appointments Limited	Ordinary shares	100%	Dormant
Continuum International Recruitment & Development Limited	Ordinary shares	100%	Dormant
Continuum International Limited	Ordinary shares	100%	Dormant
Employment Limited	Ordinary shares	100%	Dormant

AAA Group Limited

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

12 Debtors

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	2,143,385	2,010,398	-	-
Prepayments and accrued income	31,007	167,361	-	-
Director's loan account	85,300	1,262	-	-
	<u>2,259,692</u>	<u>2,179,021</u>	<u>-</u>	<u>-</u>

At the year end £2,143,385 (2012 - £2,010,398) of the trade debtors were assigned under financing arrangements.

13 Creditors: Amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	1,984	400,869	-	-
Trade creditors	203,658	209,181	-	-
Hire purchase agreements	33,412	22,077	-	-
Corporation tax	381,610	283,800	-	-
Other taxes and social security	716,988	729,384	-	-
Other creditors	261,938	255,599	-	-
Other loans	423,500	121,000	423,500	121,000
Accruals and deferred income	126,926	62,451	-	-
Amounts due to group undertakings	-	-	3,899,373	3,770,421
	<u>2,150,016</u>	<u>2,084,361</u>	<u>4,322,873</u>	<u>3,891,421</u>

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

Hire purchase creditors are secured over the related assets.

14 Creditors: Amounts falling due after more than one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Hire purchase	51,309	30,908	-	-
Other loans	-	423,500	-	423,500
	<u>51,309</u>	<u>454,408</u>	<u>-</u>	<u>423,500</u>

The securities related to these assets are listed above.

AAA Group Limited

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

Obligations under hire purchase agreements

Amounts repayable:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
In one year or less on demand	33,412	22,077	-	-
Between two and five years	51,309	30,908	-	-
	<u>84,721</u>	<u>52,985</u>	<u>-</u>	<u>-</u>

15 Provisions

Deferred tax

The movement in the deferred tax provision during the year was:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Provision brought forward	17,960	7,242	-	-
Utilised during the year	(4,546)	10,718	-	-
Provision carried forward	<u>13,414</u>	<u>17,960</u>	<u>-</u>	<u>-</u>

Analysis of deferred tax

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

16 Share capital

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
5 Ordinary shares of £1 each	5	5	5	5
51 Ordinary A shares of £1 each	51	51	51	51
38 Ordinary B shares of £1 each	38	38	38	38
6 Ordinary C shares of £1 each	6	6	6	6
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

AAA Group Limited

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

17 Equity dividends

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

18 Profit and loss account

Group

	2013 £	2012 £
Balance brought forward	1,277,410	940,517
Profit for the financial year	993,836	647,213
Equity dividends	<u>(381,282)</u>	<u>(310,320)</u>
Balance carried forward	<u>1,889,964</u>	<u>1,277,410</u>

Company

	2013 £	2012 £
Balance brought forward	684,979	688,955
Profit for the financial year	373,330	306,344
Equity dividends	<u>(381,282)</u>	<u>(310,320)</u>
Balance carried forward	<u>677,027</u>	<u>684,979</u>

19 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit for the financial year	993,836	647,213
Equity dividends	<u>(381,282)</u>	<u>(310,320)</u>
Net addition to shareholders' funds	612,554	336,893
Opening shareholders' funds	1,277,510	940,617
Closing shareholders' funds	<u>1,890,064</u>	<u>1,277,510</u>

20 Pensions schemes

Defined contribution pension scheme

The group 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).

AAA Group Limited

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

21 Commitments

Operating lease commitments

Group

At 31 March 2013 the group had annual commitments under non-cancellable operating leases as follows:

	2013		2012	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire:				
Within 1 year	33,000	3,727	-	15,907
Within 2 to 5 years	-	38,599	33,000	22,456
	<u>33,000</u>	<u>42,326</u>	<u>33,000</u>	<u>38,363</u>

22 Analysis of net debt

	At 1 April 2012 £	Cash flow £	Other non- cash changes £	At 31 March 2013 £
Cash at bank and in hand	58,817	259,455	-	318,272
Overdrafts	(400,869)	398,885	-	(1,984)
	<u>(342,052)</u>	<u>658,340</u>	<u>-</u>	<u>316,288</u>
Debt due within one year	(121,000)	(302,500)	-	(423,500)
Debt due after one year	(423,500)	423,500	-	-
Hire purchase agreements	(52,985)	(31,736)	-	(84,721)
Net debt	<u>(939,537)</u>	<u>747,604</u>	<u>-</u>	<u>(191,933)</u>

23 Related party transactions

During the year the group made loan repayments of £121,000 (2012 - £60,500) to Mr P Smith, a director and shareholder. The total loans outstanding and payable to Mr P Smith at the year end was £423,500 (2012 - £544,500).

During the year the group loaned Mr A Porter, a director, £85,300. This is still outstanding at the year end.

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

During the year the company paid dividends of £381,282 (2012 - £310,320) to directors.