

COMPANY REGISTRATION NUMBER: SC319102

AAA GROUP LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1st APRIL 2015 TO
31st DECEMBER 2015



BREBNERS
Chartered Accountants & Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

AAA GROUP LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

CONTENTS	PAGES
Officers and professional advisers	1
Strategic report	2 to 3
Directors' report	4 to 5
Independent auditor's report to the shareholders	6 to 7
Statement of income and retained earnings	8
Statement of financial position	9
Notes to the financial statements	10 to 14
The following pages do not form part of the financial statements	
Detailed income statement	16
Notes to the detailed income statement	17

AAA GROUP LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

P Norgate
D Bruce

Registered office

Union Plaza
1 Union Wynd
Aberdeen
Aberdeenshire
AB10 1DQ

Auditor

Brebners
Chartered Accountants & statutory auditor
130 Shaftesbury Avenue
London
W1D 5AR

AAA GROUP LIMITED

STRATEGIC REPORT

PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

The principal activity of the company during the period was that of a holding company. A review of the trading subsidiary, Aberdeen Appointments Agency Limited is as follows:

BUSINESS REVIEW

The principal activity of the company continued to be that of a recruitment agency.

The company has had a difficult period. Turnover decreased on a pro rata basis by 40.7% on the previous period. There has been an ongoing decline in the market for permanent placements which reflects trends within the local recruitment market.

The company seeks to ensure that responsible business practice is fully integrated into the management of all of its operations and into the culture of all parts of its business. It believes that the consistent adoption of responsible business practice is essential for operational excellence, which in turn ensures the delivery of its core objectives of sustained real growth in revenue and profitability.

The directors consider there to be numerous non-financial performance indicators, but no individual indicator is more important than any other.

PRINCIPAL RISKS AND UNCERTAINTIES

Economic risk

The principal risk faced by the business continues to be the unpredictability of the recruitment sector, which is in direct correlation with the employment market. Due to the persistently low global oil price the local market remains challenging. Despite this, the company is well placed to meet these challenges with a strong management team, an excellent reputation and a new owner who will bring financial support to the company through this difficult period.

Competitor risk

Maintaining our position against competitors in our service market is achieved by the continual contact between our account managers and customers.

Liquidity risk

Liquidity and cash flow risks are monitored by senior management in terms of identifying cash flow requirements. These in turn are communicated to the group which operates a group cash pooling system to ensure the necessary liquidity is available throughout the group. Any excesses or local short falls are underwritten by group and managed via intercompany loans.

FINANCIAL INSTRUMENTS

The company uses basic financial instruments, comprising of borrowings, cash and working capital balances such as trade debtors and trade creditors.

It is and has been throughout the period under review, the company policy that no trading in financial instruments shall be undertaken.

The company had no hedging arrangements at 31st December 2015.

FUTURE DEVELOPMENTS

The principal activity of the company is expected to remain consistent for the foreseeable future as the company seeks to participate in the long-term growth prospects for the sector.

AAA GROUP LIMITED

STRATEGIC REPORT *(continued)*

PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

This report was approved by the board of directors on 31/08/2016 and signed on behalf of the board by:



P Norgate
Director

AAA GROUP LIMITED

DIRECTORS' REPORT

PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

The directors present their report and the financial statements of the company for the period ended 31st December 2015.

DIRECTORS

The directors who served the company during the period were as follows:

D Bruce	
P Norgate	(Appointed 1st December 2015)
A Porter	(Resigned 1st December 2015)
J Innes	(Resigned 1st December 2015)

DIVIDENDS

Particulars of recommended dividends are detailed in note 4 to the financial statements.

DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments and financial instruments.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, 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 period. 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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AAA GROUP LIMITED

DIRECTORS' REPORT *(continued)*

PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

This report was approved by the board of directors on 31/08/2016 and signed on behalf of the board by:



P Norgate
Director

AAA GROUP LIMITED**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AAA GROUP LIMITED****PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015**

We have audited the financial statements of AAA Group Limited for the period ended 31st December 2015, on pages 8 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2015 and of its result for the period 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 strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

AAA GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AAA GROUP LIMITED *(continued)*

PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

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.



Philip Heath (Senior Statutory Auditor)

For and on behalf of
Brebners
Chartered Accountants & statutory auditor
130 Shaftesbury Avenue
London
W1D 5AR

15th September 2016

AAA GROUP LIMITED
STATEMENT OF INCOME AND RETAINED EARNINGS
PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

	Note	Period from 1 Apr 15 to 31 Dec 15 £	Year to 31 Mar 15 £
Income from shares in group undertakings	3	–	289,590
Amounts written off investments		–	(200,000)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		–	<u>89,590</u>
Tax on profit on ordinary activities		–	–
PROFIT FOR THE FINANCIAL PERIOD AND TOTAL COMPREHENSIVE INCOME		–	<u><u>89,590</u></u>
Dividends paid and payable	4	–	(289,590)
RETAINED (LOSSES)/EARNINGS AT THE START OF THE PERIOD		<u>(160,805)</u>	<u>39,195</u>
RETAINED LOSSES AT THE END OF THE PERIOD		<u><u>(160,805)</u></u>	<u><u>(160,805)</u></u>

All the activities of the company are from continuing operations.

AAA GROUP LIMITED
STATEMENT OF FINANCIAL POSITION
31st DECEMBER 2015

	Note	31 Dec 15 £	£	31 Mar 15 £	£
FIXED ASSETS					
Investments	5		4,800,000		4,800,000
CREDITORS: amounts falling due within one year	6	<u>4,960,705</u>		<u>4,847,134</u>	
NET CURRENT LIABILITIES			<u>4,960,705</u>		<u>4,847,134</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(160,705)		(47,134)
CREDITORS: amounts falling due after more than one year	7		-		113,571
NET LIABILITIES			<u>(160,705)</u>		<u>(160,705)</u>
CAPITAL AND RESERVES					
Called up share capital	8		62		62
Capital redemption reserve	9		38		38
Profit and loss account	9		(160,805)		(160,805)
SHAREHOLDERS DEFICIT			<u>(160,705)</u>		<u>(160,705)</u>

These financial statements were approved by the board of directors and authorised for issue on 31/08/2016 and are signed on behalf of the board by:



P Norgate
Director

Company registration number: SC319102

AAA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

1. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

2. ACCOUNTING POLICIES**Basis of preparation**

The financial statements have been prepared on the historical cost basis in accordance with the accounting policies set out below.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The comparatives relate to the year from 1st April 2014 to 31st March 2015.

Company information

The company is incorporated in Scotland and limited by shares. Its registered office is situated at Union Plaza, 1 Union Wynd, Aberdeen, Aberdeenshire AB10 1DQ.

The principal activity of the company is that of an investment holding company.

Going concern

The company has ongoing support from its parent undertaking. Liabilities are exclusively made up of intercompany balances which will not be called upon until the company has sufficient resources to meet the obligations.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 12.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Sword Group SE, which can be obtained from sword-group.com/investors. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The entity has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State.

AAA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

2. ACCOUNTING POLICIES *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management have not made any critical judgements or estimates in the process of applying the entity's accounting policies.

Revenue recognition

Dividend income is recognised when the right to receive payment is established.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Related parties

For the purposes of these financial statements, a party is considered to be related to the company if:

- (i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the company or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the company;
- (ii) the company and the party are subject to common control;
- (iii) the party is an associate of the company or a joint venture in which the company is a venturer;
- (iv) the party is a member of key management personnel of the company or the company's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals;
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company; or
- (vii) the party, or any member of a group of which it is part, provides key management personnel services to the company or its parent.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

AAA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

2. ACCOUNTING POLICIES *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

3. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	Period from 1 Apr 15 to 31 Dec 15 £	Year to 31 Mar 15 £
Income from group undertakings	—	289,590

4. DIVIDENDS

	31 Dec 15 £	31 Mar 15 £
Dividends paid during the period (excluding those for which a liability existed at the end of the prior period)	—	289,590

The results for the prior period revealed that the company may have had insufficient reserves to have paid some of these dividends. Under company legislation the shareholder may therefore be called upon to repay the dividend in the future. However, at the time the dividend was voted, management accounts showed sufficient available reserves.

AAA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

5. INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 Apr 2015 and 31 Dec 2015	<u>5,000,000</u>
Impairment	
At 1 Apr 2015 and 31 Dec 2015	<u>200,000</u>
Carrying amount	
At 31st December 2015	<u>4,800,000</u>

The investment represents the company's 100% interest in the Ordinary shares of Aberdeen Appointments Agency Limited, a company incorporated in Scotland.

The company is not required to disclose the aggregate capital and reserves, and the profit and loss account under the Companies Act 2006 for the principal subsidiary undertakings as it is exempt by virtue of Section 400 of the Companies Act 2006 from preparing group accounts as it is part of a larger group preparing consolidated accounts. The information in the financial statements are for the company only.

6. CREDITORS: amounts falling due within one year

	31 Dec 15 £	31 Mar 15 £
Debenture loans	–	151,429
Amounts owed to group undertakings	<u>4,960,705</u>	<u>4,695,705</u>
	<u>4,960,705</u>	<u>4,847,134</u>

7. CREDITORS: amounts falling due after more than one year

	31 Dec 15 £	31 Mar 15 £
Debenture loans	<u>–</u>	<u>113,571</u>

8. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	31 Dec 15		31 Mar 15	
	No.	£	No.	£
Ordinary shares of £0.01 each	<u>6,200</u>	<u>62</u>	<u>6,200</u>	<u>62</u>

9. RESERVES

The profit and loss account includes all current and prior retained earnings and accumulated losses.

AAA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD FROM 1st APRIL 2015 TO 31st DECEMBER 2015

10. RELATED PARTY TRANSACTIONS

Amounts due to and from group undertakings at 31st December 2015 are aggregated as permitted by FRS 102 and shown separately in debtors and creditors.

In accordance with FRS 102 paragraph 33.1A, exemption is taken not to disclose transactions in the year between wholly owned group undertakings.

11. CONTROLLING PARTY

From 1st December 2015 the company's immediate parent undertaking is Sword IT Solutions Limited and from this date its ultimate controlling party is Sword Group SE. Prior to this date the ultimate controlling party was A Porter. Sword Group SE produce financial statements available for public use.

12. TRANSITION TO FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st April 2014.

No transitional adjustments were required in equity or profit or loss for the period.