

CNA ES Limited
(formerly CNA Executive Search Limited)
Report and Financial Statements

31 December 2011

Registered No 03009607



CNA ES Limited

Registered No 3009607

DIRECTORS

T Watts
J D Smith

SECRETARY

N J Dudley

AUDITORS

Mazars LLP
45 Church Street
Birmingham
B3 2RT

BANKERS

Barclays Bank plc
Barclays House
Dominus Way
Meridian Business Park
Leicester
LE19 1RP

Bank of Scotland
55 Temple Row
Birmingham
B2 5LS

SOLICITORS

Hall Reynolds
18 High Street
Bidford on Avon
Warwickshire
B50 4BU

Gateley LLP
One Eleven
Edmund Street
Birmingham
B3 2HJ

REGISTERED OFFICE

Meriden Hall
Main Road
Meriden
Warwickshire
CV7 7PT

CNA ES Limited

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2011

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Company is that of management consultancy and franchising. The results for the year are considered satisfactory as are future prospects. During the year the Company acquired certain of the trade, assets and liabilities of Network Brand Partnership Limited, a related company at net book value.

On 3 July 2012 the Company changed its name to CNA ES Limited.

GOING CONCERN

The Company meets its day to day working capital requirements by utilising credit facilities of the Group. The Group is currently and is forecasting to continue operating well within its current facility levels. These facilities continue for at least 12 months after the date of signing the financial statements.

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, they continue to adopt the going concern basis in preparing the annual report and accounts.

RESULTS AND DIVIDENDS

The Company made a loss after tax of £129,388 for the year (2010: £20,581).

The directors do not recommend a dividend (2010: £nil) and the loss for the year has been transferred to reserves.

DIRECTORS

The directors holding office during the year and up to the date of this report were:

T Watts

J D Smith

DIRECTORS INDEMNITIES

The Company maintains qualifying third party indemnity insurance for all directors. These insurances were in force throughout 2011 and continue in 2012.

DIRECTORS' REPORT

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the 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 auditors are aware of that information

REAPPOINTMENT OF AUDITORS

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

SMALL COMPANY PROVISIONS

The directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

On behalf of the board


D Smith
Director

Dated 28 September 2012

CNA ES Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 the 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 then apply them consistently,
- make judgements 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
- state whether applicable UK accounting standards have been followed subject to any material departures disclosed and explained in the financial statements

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 AUDITORS' REPORT TO THE MEMBERS OF CNA ES LIMITED

We have audited the financial statements for the year ended 31 December 2011 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Respective responsibilities of directors and auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

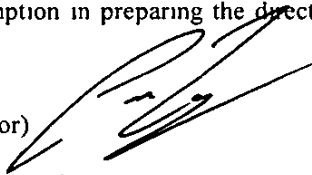
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

Paul Lucas (Senior statutory auditor)
for and on behalf of Mazars LLP, Chartered Accountants (Statutory auditor)
45 Church Street
Birmingham
B3 2RT


28 September 2012.

CNA ES Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2011

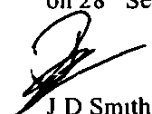
		2011	2010
	Notes	£	£
TURNOVER	2	369,365	153,853
Cost of sales		(92,260)	(26,977)
GROSS PROFIT		<u>277,105</u>	<u>126,876</u>
Administrative expenses			
- Exceptional item provision against Group undertaking debtor		-	103
- Other		(392,817)	(147,444)
		<u>(392,817)</u>	<u>(147,341)</u>
OPERATING LOSS		(115,712)	(20,465)
LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST		<u>(115,712)</u>	<u>(20,465)</u>
Interest receivable		1,324	-
Interest payable		(15,000)	(116)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	<u>(129,388)</u>	<u>(20,581)</u>
Tax on loss on ordinary activities	4	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION BEING RETAINED LOSS FOR THE YEAR	10	<u><u>(129,388)</u></u>	<u><u>(20,581)</u></u>

BALANCE SHEET
 at 31 December 2011

	<i>Notes</i>	<i>2011</i> £	<i>2010</i> £
FIXED ASSETS			
Intangible fixed assets	5	327,709	-
Tangible fixed assets	6	7,063	2,902
		<u>334,772</u>	<u>2,902</u>
CURRENT ASSETS			
Debtors	7	3,523,547	736
Cash at bank and in hand		5,375	12,743
		<u>3,528,922</u>	<u>13,479</u>
CREDITORS amounts falling due within one year	8	(4,441,926)	(465,225)
NET CURRENT LIABILITIES		<u>(913,004)</u>	<u>(451,746)</u>
NET LIABILITIES		<u>(578,232)</u>	<u>(448,844)</u>
CAPITAL AND RESERVES			
Called up share capital	9	10,500	10,500
Profit and loss account	10	(588,732)	(459,344)
SHAREHOLDERS' DEFICIT		<u>(578,232)</u>	<u>(448,844)</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small companies

The financial statements on pages 6 to 16 were approved by the board of directors and authorised for issue on 28th September 2012 and were signed on its behalf by



J D Smith
Director

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008). The particular accounting policies are described below and have been applied consistently throughout the current and prior period.

The accounts do not include a cash flow statement because the Company is a small entity and in accordance with Financial Reporting for Smaller Entities (effective April 2008) is exempt from the requirement to prepare a cash flow statement.

Going Concern

The Company meets its day to day working capital requirements by utilising credit facilities of the Group. The Group is currently and is forecasting to continue operating well within its current facility levels. These facilities continue for at least 12 months after the date of signing the financial statements.

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, they continue to adopt the going concern basis in preparing the annual report and accounts.

Revenue Recognition

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

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

Goodwill

Goodwill representing the excess of the consideration for an acquired undertaking, or acquired trade and assets, compared with the fair value of net assets acquired is capitalised and written off evenly over 20 years as in the opinions of the directors this represents the period over which the goodwill is expected to give rise to economic benefits. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

1 ACCOUNTING POLICIES (CONTINUED)

Fixed Assets

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

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

Fixtures and fittings	- 25% per annum
Plant and machinery	- 25% per annum

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable

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

Taxation

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

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

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

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

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

Pensions

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

CNA ES Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2011

2. TURNOVER

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

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging

	2011 £	2010 £
Depreciation of owned fixed assets	2,338	894
Amortisation of intangible fixed assets	8,541	-
Exceptional item: Provision against Group undertaking debtor	-	(103)
	<u> </u>	<u> </u>

The exceptional item relates to the provision against a Group undertaking debtor considered not recoverable.

Fees payable to the Company's auditors for the audit of the annual accounts is £2,400 (2010: £2,400) and is borne by the Company (2010: P Investments Limited). There were no fees paid to the Company's auditors for non-audit services during the year.

Directors' Emoluments

	2011 £	2010 £
Remuneration and other benefits	-	-
	<u> </u>	<u> </u>

T Watts and J D Smith were directors of other Group companies and received no remuneration for their services to CNA ES Limited in either year.

4. TAX ON LOSS ON ORDINARY ACTIVITIES

There is no corporation tax charge on the profit on ordinary activities.

CNA ES Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2011

5. INTANGIBLE FIXED ASSETS

	<i>Goodwill</i> £
<i>Cost</i>	
At 1 January 2011	-
Additions	336,250
At 31 December 2011	<u>336,250</u>
<i>Amortisation</i>	
At 1 January 2011	-
Charge for the year	8,541
At 31 December 2011	<u>8,541</u>
<i>Net book value</i>	
At 31 December 2011	<u><u>327,709</u></u>
At 31 December 2010	<u><u>-</u></u>

6. TANGIBLE FIXED ASSETS

	<i>Plant & Machinery</i> £	<i>Fixtures & Fittings</i> £	<i>Total</i> £
<i>Cost</i>			
At 1 January 2011	15,434	70,712	86,146
Additions	4,697	1,802	6,499
At 31 December 2011	<u>20,131</u>	<u>72,514</u>	<u>92,645</u>
<i>Depreciation</i>			
At 1 January 2011	13,134	70,110	83,244
Charge for the year	1,944	394	2,338
At 31 December 2011	<u>15,078</u>	<u>70,504</u>	<u>85,582</u>
<i>Net book value</i>			
At 31 December 2011	<u><u>5,053</u></u>	<u><u>2,010</u></u>	<u><u>7,063</u></u>
<i>Net book value</i>			
At 31 December 2010	<u><u>2,300</u></u>	<u><u>602</u></u>	<u><u>2,902</u></u>

CNA ES Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2011

7. DEBTORS: amounts falling due within one year

	2011 £	2010 £
Debtors assigned to CNA ES Limited	2,743,192	-
Amounts owed by group undertakings (note 12)	187,534	-
Amounts owed by related undertakings (note 12)	448,633	-
Other debtors	116,741	-
Prepayments and accrued income	27,447	736
	<u>3,523,547</u>	<u>736</u>

The Company operated a debt-assignment arrangement whereby group, related and independent undertakings assign their trade debtors to CNA ES Limited under debt-assignment agreements, with full recourse to the independent undertakings. Unpaid debts that are more than 90 days overdue are indemnified by the originating undertaking and as such are reassigned back to the appropriate undertaking.

These debtors are included under the above heading "Debtors assigned to CNA ES Limited"

8. CREDITORS: amounts falling due within one year

	2011 £	2010 £
Trade creditors	32,068	186
Amounts due to Group undertakings (note 12)	3,661,752	350,137
Other taxes and social security costs	326,905	12,917
Other creditors	394,321	87,459
Accruals and deferred income	26,880	14,526
	<u>4,441,926</u>	<u>465,225</u>

9. SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000
500 ordinary 'B' shares of £1 each	500	500
	<u>10,500</u>	<u>10,500</u>

The ordinary 'B' shares rank pari passu with the ordinary shares other than not having voting rights and can receive dividends independently and at different rates to the ordinary shares

CNA ES Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2011

10 RESERVES

	<i>Profit and loss account £</i>
At 1 January 2011	(459,344)
Retained loss for the year	(129,388)
At 31 December 2011	<u>(588,732)</u>

11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking at the balance sheet date was CNA International Limited, a Company incorporated in England and Wales

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

The controlling party is T Watts, by virtue of his shareholding in Pertemps Limited.

On 3 February 2012 Pertemps Limited became a 90.8% subsidiary of Pertemps Network Group Limited, the new ultimate parent undertaking.

12. RELATED PARTY TRANSACTIONS

The following companies are considered to be related as they are under the same control as CNA ES Limited:

CNA Training Limited
Pertemps Limited

Network Group Holdings plc, P Investments Limited and Network Brand Partnership Limited and their subsidiaries are considered to be related as they share significant common shareholders with Pertemps Limited, the ultimate parent undertaking of the Company.

The following companies are considered to be related as they are under the control of J D Smith, a director of the company:

Executive Network Legal Limited
J D Smith Consultancy
Total Employment Limited

CNA ES Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2011

12 RELATED PARTY TRANSACTIONS (Continued)

Amounts due from these related parties

	2011 £	2010 £
C N A Training Limited	187,534	-
Network Group Holdings plc	11,001	-
Executive Network Legal Limited	306,345	-
Total Employment Limited	131,287	-
	<u>636,167</u>	<u>-</u>

Amounts due to these related parties

	2011 £	2010 £
Network Brand Partnership Limited	-	350,137
Pertemps Limited	3,661,752	-
	<u>3,661,752</u>	<u>350,137</u>

12a) CNA Training Limited

During the year the Company provided funding to CNA Training Limited amounting to £187,534 (2010 £nil) and provided management services under arms length agreements. The value of these services amounted to £2,054 (2010 £nil)

The amount owing by CNA Training Limited at the balance sheet date was £187,534 (2010 £nil)

During the year the Company received management services under arms length agreements from CNA Training Limited. The value of these services amounted to £15,750 (2010 £57,742)

The amount owing to CNA Training Limited at the balance sheet date was £nil (2010 £nil)

12b) Network Brand Partnership Limited

During the year the Company repaid funding provided by Network Brand Partnership Limited amounting to £350,137 (2010 £1,142)

In addition the Company acquired certain of the trade, assets and liabilities of Network Brand Partnership Limited at net book value

The amount owing Network Brand Partnership Limited at the balance sheet date was £nil (2010 £350,137)

CNA ES Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2011

11. RELATED PARTY TRANSACTIONS (Continued)

12c) P Investments Limited

During the year, recharges at cost of expenditure for goods and services were made to the Company from P Investments Limited amounting to £255,094 (2010 £16,899)

The amount owing P Investments Limited at the balance sheet date was £nil (2010 £nil)

During the year the company provided management services under arms lengths agreements to P Investments Limited and it's subsidiaries amounting to £12,039 (2010 £nil)

The amount owing by P Investments Limited and its subsidiaries at the balance sheet date was £nil (2010 £nil)

12d) Pertemps Limited

During the year the Company received funding from Pertemps Limited and it's subsidiaries amounting to £3,661,752 (2010 £nil) and received, recharges at cost of expenditure for goods and services. The value of these recharges amounted to £166 (2010 £1,456)

The amount owing to Pertemps Limited and its subsidiaries at the balance sheet date was £nil (2010 £nil)

12e) Total Employment Limited

During the year the Company provided funding to Total Employment Limited amounting to £131,287 (2010 £nil). In addition during the year the company provided management services under arms lengths agreements. The value of these services amounted to £50,404 (2010 £nil)

The amount owing from Total Employment Limited at the balance sheet date was £131,287 (2010 £nil)

12f) Executive Network Legal Limited

During the year the Company provided funding to Executive Network Legal Limited amounting to £306,345 (2010 £nil). In addition during the year the company provided management services under arms lengths agreements. The value of these services amounted to £21,062 (2010 £nil)

The amount owing from Executive Network Legal Limited at the balance sheet date was £306,345 (2010 £nil)

12g) J D Smith Consultancy

During the year J D Smith Consultancy provided management services to the Company under arms lengths agreements. The value of these services amounted to £11,813 (2010 £nil)

The amount owing to J D Smith Consultancy at the balance sheet date was £nil (2010 £nil)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 December 2011

11 RELATED PARTY TRANSACTIONS (Continued)

12h) Network Group Holdings plc

During the year the Company received management services under arms length agreements from Network Group Holdings plc and its subsidiaries. The value of the services amounted to £117,391 (2010 £23,886)

The amount owing to Network Group Holdings plc and its subsidiaries at the balance sheet date was £nil (2010 £nil)

During the year the company provided management services under arms lengths agreements to Network Group Holdings plc and it's subsidiaries amounting to £9,067 (2010 £nil)

The amount owing by Network Group Holdings plc and its subsidiaries at the balance sheet date was £11,001 (2010 £nil)