

Registration number: 03009607

CNA ES Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2015

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CNA ES Limited

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CNA ES Limited
Company Information >

Directors T Watts
 J D Smith

Company secretary N J Dudley

Registered office Meriden Hall
 Main Road
 Meriden
 Warwickshire
 CV7 7PT

Auditor Mazars LLP
 45 Church Street
 Birmingham
 B3 2RT

CNA ES Limited
Directors' Report for the Year Ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Directors of the company

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

T Watts
J D Smith

Directors' liabilities

The Company maintains qualifying third party indemnity insurance for all directors. These insurances were in force throughout 2015 and continue in 2016.

Going Concern

The Company meets its day to day working capital requirements by utilising credit facilities of the Group. The Directors have received an undertaking from the Group that sufficient finance will be available to meet obligations as they fall due in line with the Company's business plan for a period of not less than twelve months from the date of signature of these 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.

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.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Mazars LLP as auditor 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 provision of part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board on 29 September 2016 and signed on its behalf by:


.....
J D Smith
Director

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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 Members of CNA ES Limited

We have audited the financial statements of CNA ES Limited for the year ended 31 December 2015, which comprise the Profit and Loss Account, the Balance Sheet and 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 January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (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 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 of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 2015 and of 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.

**Independent Auditor's Report to the Members of
CNA ES 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; 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 and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

.....
Paul Lucas (Senior Statutory Auditor)

For and on behalf of Mazars LLP, Chartered Accountants and Statutory Auditor

45 Church Street
Birmingham
B3 2RT

29 September 2016

CNA ES Limited
Profit and Loss Account for the Year Ended 31 December 2015

	Note	2015 £	2014 £
Turnover		370,312	1,017,242
Cost of sales		<u>(75,311)</u>	<u>(308,535)</u>
Gross profit		295,001	708,707
Administrative expenses		<u>(450,853)</u>	<u>(410,126)</u>
Operating (loss)/profit	2	(155,852)	298,581
Other interest receivable and similar income		2,062	-
Amounts written off investments	6	(11,788)	-
Interest payable and similar charges		<u>(61,121)</u>	<u>(58,493)</u>
(Loss)/profit on ordinary activities before taxation		(226,699)	240,088
Tax on (loss)/profit on ordinary activities	3	<u>(9,487)</u>	<u>(51,619)</u>
(Loss)/profit for the financial year	10	<u><u>(236,186)</u></u>	<u><u>188,469</u></u>

CNA ES Limited
(Registration number: 03009607)
Balance Sheet at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Intangible fixed assets	4	-	225,217
Tangible fixed assets	5	8,527	3,097
Investments	6	50,234	62,022
		<u>58,761</u>	<u>290,336</u>
Current assets			
Debtors	7	4,816,526	4,474,749
Cash at bank and in hand		18,627	748
		<u>4,835,153</u>	<u>4,475,497</u>
Creditors: Amounts falling due within one year	8	(5,384,952)	(5,020,685)
Net current liabilities		<u>(549,799)</u>	<u>(545,188)</u>
Net liabilities		<u>(491,038)</u>	<u>(254,852)</u>
Capital and reserves			
Called up share capital	9	10,500	10,500
Profit and loss account	10	(501,538)	(265,352)
Shareholders' deficit		<u>(491,038)</u>	<u>(254,852)</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved and authorised for issue by the Board on 29 September 2016 and signed on its behalf by:



 JD Smith
 Director

CNA ES Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and preceding year.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Going concern

The Company meets its day to day working capital requirements by utilising credit facilities of the Group. The Directors have received an undertaking from the Group that sufficient finance will be available to meet obligations as they fall due in line with the Company's business plan for a period of not less than twelve months from the date of signature of these 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.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Goodwill

Goodwill is the difference between the cost of trade and assets of an entity acquired and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Amortisation

Positive goodwill arising on acquisitions is capitalised, classified as an intangible asset on the balance sheet and amortised on a straight line basis over its useful economic life up to a presumed maximum of 20 years. It 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.

Depreciation

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

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.

CNA ES Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

..... continued

Asset class	Depreciation method and rate
Fixtures and Fittings	25 % Straight Line
Plant and Machinery	25% Straight Line

Fixed asset investments

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

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

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.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included within the profit and loss account.

Leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

CNA ES Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

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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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The Company participates in a defined contribution pension scheme operated by Network Ventures Limited. The assets of the scheme are held separately from those of Network Ventures 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.

2 Operating (loss)/profit

Operating (loss)/profit is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets	2,730	2,548
Amortisation	<u>225,217</u>	<u>34,164</u>

The auditors remuneration of £2,300 was borne by Network Ventures Limited (2014: £2,300 was borne by Pertemps Recruitment Partnership Limited). There were no fees paid to the Company's auditor for non-audit services during the year.

3 Taxation

Tax on (loss)/profit on ordinary activities

	2015	2014
	£	£
Current tax		
Corporation tax charge	<u>9,487</u>	<u>51,619</u>

CNA ES Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

..... continued

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2015	350,000
At 31 December 2015	350,000
Amortisation	
At 1 January 2015	124,783
Impairment charge for the year	225,217
At 31 December 2015	350,000
Net book value	
At 31 December 2015	-
At 31 December 2014	225,217

5 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2015	27,206	72,514	99,720
Additions	7,210	950	8,160
At 31 December 2015	34,416	73,464	107,880
Depreciation			
At 1 January 2015	24,109	72,514	96,623
Charge for the year	2,670	60	2,730
At 31 December 2015	26,779	72,574	99,353
Net book value			
At 31 December 2015	7,637	890	8,527
At 31 December 2014	3,097	-	3,097

CNA ES Limited
Notes to the Financial Statements for the Year Ended 31 December 2015
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6 Investments held as fixed assets

	2015	2014
	£	£
Shares in group undertakings and participating interests	<u>50,234</u>	<u>62,022</u>
Shares in group undertakings and participating interests		
		Total
		£
Cost		
At 1 January 2015 and at 31 December 2015		<u>62,022</u>
Provision for impairment		
At 1 January 2015		-
Charge for the year		<u>11,788</u>
At 31 December 2015		<u>11,788</u>
Net book value		
At 31 December 2015		<u>50,234</u>
At 31 December 2014		<u>62,022</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:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Human Cloud	England and Wales	Ordinary	51%	Recruitment
MPS Healthcare Limited	England and Wales	Ordinary	75.1%	Recruitment

CNA ES Limited
Notes to the Financial Statements for the Year Ended 31 December 2015
..... continued

7 Debtors

	2015 £	2014 £
Trade debtors	3,547,305	3,067,826
Amounts owed by group undertakings	656,590	667,649
Amounts owed by related undertakings	545,518	582,633
Other debtors	67,113	156,641
	<u>4,816,526</u>	<u>4,474,749</u>

The Company operates 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 reassigned back to the appropriate undertaking.

8 Creditors: Amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertakings	4,698,218	4,273,083
Corporation tax	1,745	51,619
Other taxes and social security	317,737	240,219
Other creditors	367,252	455,764
	<u>5,384,952</u>	<u>5,020,685</u>

CNA ES Limited
Notes to the Financial Statements for the Year Ended 31 December 2015
..... continued

9 Share capital

Allotted, called up and fully paid shares

	2015		2014	
	No.	£	No.	£
Ordinary "A" shares of £1 each	10,000	10,000	10,000	10,000
Ordinary "B" shares of £1 each	500	500	500	500
	<u>10,500</u>	<u>10,500</u>	<u>10,500</u>	<u>10,500</u>

The A Ordinary shares and B Ordinary shares rank pari passu in all respects other than the dividend rights attached to the B Ordinary shares require consent of the A Ordinary shareholders.

10 Reserves

	Profit and loss account £
At 1 January 2015	(265,352)
Loss for the year	<u>(236,186)</u>
At 31 December 2015	<u>(501,538)</u>

11 Pension schemes

Defined contribution pension scheme

The Company participates in a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £388 (2014 - £2,071).

Contributions totalling £325 (2014 - £nil) were payable to the scheme at the end of the year and are included in creditors.

CNA ES Limited
Notes to the Financial Statements for the Year Ended 31 December 2015
..... continued

12 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

During the year the Company made the following related party transactions:

CNA International (Franchising and Training) Limited (formerly CNA Training Limited)

During the year the Company provided management services under arms length agreements. The value of these services amounted to £nil (2014: £200).

During the year the Company received management services under arms length agreements from CNA International (Franchising and Training) Limited. The value of these services amounted to £nil (2014: £nil). At the balance sheet date the amount due from CNA International (Franchising and Training) Limited (formerly CNA Training Limited) was £125,782 (2014 - £173,224).

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 £21,899 (2014: £20,819). At the balance sheet date the amount due to P Investments Limited was £nil (2014 - £nil).

Total Employment Limited

During the year the company provided management services under arms length agreements. The value of these services amounted to £nil (2014: £131,008). At the balance sheet date the amount due from Total Employment Limited was £423,456 (2014 - £427,109).

Executive Network Legal Limited

During the year the company provided management services under arms length agreements. The value of these services amounted to £nil (2014: £85,611). At the balance sheet date the amount due from Executive Network Legal Limited was £122,062 (2014 - £155,524).

13 Control

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 Network Group Limited, a Company incorporated in England and Wales. This is the largest 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.