

REPORT AND ACCOUNTS

ESSENTIAL RECRUITMENT (UK) LIMITED

Company number 05575310

30 SEPTEMBER 2006

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ESSENTIAL RECRUITMENT (UK) LIMITED

30 SEPTEMBER 2006

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ESSENTIAL RECRUITMENT (UK) LIMITED30 SEPTEMBER 2006OFFICERS AND COMPANY INFORMATION

## DIRECTORS

J B Dollan  
S R Murray  
E J Zywicki

## COMPANY SECRETARY

G Lowde

## ACCOUNTANTS

Buckle Barton  
Chartered Accountants  
Sanderson House  
Station Road  
Horsforth  
LEEDS  
LS18 5NT

## BANKERS

Barclays Bank plc  
10 Market Street  
BRADFORD  
BD1 1NR

## REGISTERED OFFICE

Sanderson House  
Station Road  
Horsforth  
LEEDS  
LS18 5NT

## ESSENTIAL RECRUITMENT (UK) LIMITED

30 SEPTEMBER 2006

### DIRECTORS' REPORT

The directors submit their report and accounts for the period ended 30 September 2006

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period. In preparing those financial statements, directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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

Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

#### PRINCIPAL ACTIVITY

The company was incorporated on 27 September 2005 as Lupfaw 183 Limited and commenced trading on 18 November 2005. The company changed its name to Essential Recruitment (UK) Limited on 9 December 2005.

The company's principal activity during the period was that of a recruitment agency.

#### DIRECTORS WHO SERVED DURING THE YEAR

The following directors served during the period ended 30 September 2006

|                          |                              |
|--------------------------|------------------------------|
| Mr J B Doolan            | (appointed 18 November 2005) |
| Mr S R Murray            | (appointed 18 November 2005) |
| Mr E J Zywicki           | (appointed 18 November 2005) |
| Lupfaw Formation Limited | (resigned 18 November 2005)  |

ESSENTIAL RECRUITMENT (UK) LIMITED

30 SEPTEMBER 2006

DIRECTORS' REPORT

COMPANIES ACT 1985

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

ON BEHALF OF THE BOARD



J B DOLLAN  
Director

Dated 25th October 2007

ESSENTIAL RECRUITMENT (UK) LIMITEDPROFIT AND LOSS ACCOUNTFOR THE PERIOD 27 SEPTEMBER 2005 TO 30 SEPTEMBER 2006

|                                                |       | 27 09 05<br>to<br>30 09 06 |
|------------------------------------------------|-------|----------------------------|
|                                                | Notes | £                          |
| TURNOVER                                       | 3     | 257,155                    |
| Cost of sales                                  |       | (67,821)                   |
|                                                |       | <hr/>                      |
| GROSS PROFIT                                   |       | 189,334                    |
| Net operating expenses                         | 4     | (309,158)                  |
|                                                |       | <hr/>                      |
| OPERATING LOSS                                 | 5 - 7 | (119,824)                  |
| Interest payable and similar charges           | 8     | (3,081)                    |
|                                                |       | <hr/>                      |
| LOSS ON ORDINARY ACTIVITIES BEFORE<br>TAXATION |       | (122,905)                  |
| Tax on loss on ordinary activities             | 9     | -                          |
|                                                |       | <hr/>                      |
| LOSS FOR THE FINANCIAL PERIOD                  | 14    | (122,905)                  |
|                                                |       | <hr/>                      |

ESSENTIAL RECRUITMENT (UK) LIMITEDBALANCE SHEET30 SEPTEMBER 2006

|                                                      |       | <u>30 09 06</u> |
|------------------------------------------------------|-------|-----------------|
|                                                      | Notes | £               |
| <b>FIXED ASSETS</b>                                  |       |                 |
| Tangible assets                                      | 10    | 18,597          |
|                                                      |       | <hr/>           |
| <b>CURRENT ASSETS</b>                                |       |                 |
| Debtors                                              | 11    | 144,361         |
| Cash at bank and in hand                             |       | 163             |
|                                                      |       | <hr/>           |
|                                                      |       | 144,524         |
| <b>CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</b> | 12    | (285,936)       |
|                                                      |       | <hr/>           |
| <b>NET CURRENT LIABILITIES</b>                       |       | (141,412)       |
|                                                      |       | <hr/>           |
| <b>NET LIABILITIES</b>                               |       | (122,815)       |
|                                                      |       | <hr/> <hr/>     |
| <b>CAPITAL AND RESERVES</b>                          |       |                 |
| Called up share capital                              | 13    | 90              |
| Profit and loss account (adverse)                    | 14    | (122,905)       |
|                                                      |       | <hr/>           |
| <b>EQUITY SHAREHOLDERS DEFICIT</b>                   |       | (122,815)       |
|                                                      |       | <hr/> <hr/>     |

For the period in question, the company was entitled to exemption from an audit under section 249A(1) of the Companies Act 1985. No notice has been deposited under section 249B(2) of the Act in relation to the accounts for the financial period. The directors acknowledge their responsibilities for

- a) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- b) preparing accounts which give a true and fair view of the state of affairs of the company, as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)



J B DOLLAN - Director

Dated 25th October 2007

ESSENTIAL RECRUITMENT (UK) LIMITEDNOTES TO THE ACCOUNTS30 SEPTEMBER 2006**1 GOING CONCERN**

The accounts have been prepared on the going concern basis which assumes the continued support of the bank and creditors and the company's ability to generate positive cash flow. In the opinion of the directors, the going concern basis is appropriate for the preparation of the accounts.

**2 ACCOUNTING POLICIES****Accounting convention**

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

**Cash flow statement**

The company has taken advantage of the exemption available to small companies under FRS 1 and not prepared a cash flow statement.

**Depreciation**

Depreciation is provided on all tangible fixed assets at the following rates on the basis stated:

Computer equipment - 33⅓% p.a. on cost

Depreciation is provided pro-rata from the month of purchase.

**Deferred taxation**

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

**3 TURNOVER**

Turnover represents the amounts receivable in respect of services provided, stated net of value added tax and relates entirely to the company's principal activity within the United Kingdom.

ESSENTIAL RECRUITMENT (UK) LIMITEDNOTES TO THE ACCOUNTS30 SEPTEMBER 2006

|   |                                                                                                                                                                                                                          | 27 09 05<br>to<br>30 09 06 |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
|   |                                                                                                                                                                                                                          | £                          |
| 4 | NET OPERATING EXPENSES                                                                                                                                                                                                   |                            |
|   | Administrative expenses                                                                                                                                                                                                  | 309,158                    |
| 5 | OPERATING LOSS                                                                                                                                                                                                           |                            |
|   | This is stated after charging<br>Depreciation of owned assets                                                                                                                                                            | 2,944                      |
| 6 | EMPLOYEE INFORMATION                                                                                                                                                                                                     |                            |
|   | Pension cost charge for the period                                                                                                                                                                                       | -                          |
| 7 | DIRECTORS' EMOLUMENTS                                                                                                                                                                                                    |                            |
|   | Aggregate emoluments including benefits in kind,<br>assets (other than shares) received under long term<br>incentive schemes and aggregate value of any company<br>contributions paid to a money purchase pension scheme | -                          |
|   |                                                                                                                                                                                                                          | No                         |
|   | Number of directors to whom retirement benefits are accruing<br>under money purchase schemes                                                                                                                             | -                          |
| 8 | INTEREST PAYABLE AND SIMILAR CHARGES                                                                                                                                                                                     | £                          |
|   | Bank interest                                                                                                                                                                                                            | 3,081                      |
| 9 | TAX ON LOSS ON ORDINARY ACTIVITIES                                                                                                                                                                                       |                            |
|   | UK corporation tax<br>Charge for the period @ 0%                                                                                                                                                                         | -                          |
|   | There was no charge to UK corporation tax based on the<br>results for the period. There are trading losses of approximately<br>£164,000 to carry forward against future trading profits                                  |                            |

ESSENTIAL RECRUITMENTS (UK) LIMITEDNOTES TO THE ACCOUNTS30 SEPTEMBER 2006

## 10 TANGIBLE FIXED ASSETS

Computer  
equipment

£

Cost  
Additions and  
At 30 September 2006

21,541

Depreciation  
Provided during the period and  
At 30 September 2006

2,944

Net book value  
At 30 September 2006

18,597

There were no capital commitments, either authorised or contracted for, at the balance sheet date

30 09 06

£

## 11 DEBTORS

Due within one year  
Trade debtors  
Prepayments and accrued income

120,657

23,704

144,361

ESSENTIAL RECRUITMENT (UK) LIMITEDNOTES TO THE ACCOUNTS30 SEPTEMBER 2006

|    |                                                                                                                                                                  |                         |                       |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------|
|    |                                                                                                                                                                  |                         | <u>30 09 06</u>       |
|    |                                                                                                                                                                  |                         | £                     |
| 12 | CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR                                                                                                                    |                         |                       |
|    | Bank overdraft (secured)                                                                                                                                         |                         | 184,114               |
|    | Trade creditors (note 15)                                                                                                                                        |                         | 23,772                |
|    | Other taxes and social security costs                                                                                                                            |                         | 24,466                |
|    | Other creditors (note 15)                                                                                                                                        |                         | 20,651                |
|    | Accruals and deferred income                                                                                                                                     |                         | 32,933                |
|    |                                                                                                                                                                  |                         | <hr/>                 |
|    |                                                                                                                                                                  |                         | 285,936               |
|    |                                                                                                                                                                  |                         | <hr/>                 |
| 13 | CALLED UP SHARE CAPITAL                                                                                                                                          |                         |                       |
|    | Authorised                                                                                                                                                       |                         |                       |
|    | 1,000 ordinary shares of £1 each                                                                                                                                 | 1,000                   | 1,000                 |
|    |                                                                                                                                                                  | <hr/>                   | <hr/>                 |
|    | Allotted, issued and fully paid                                                                                                                                  |                         |                       |
|    | 90 ordinary shares of £1 each                                                                                                                                    | 90                      | 90                    |
|    |                                                                                                                                                                  | <hr/>                   | <hr/>                 |
|    | During the period 90 ordinary shares of £1 each, with an aggregate nominal value of £90, were issued fully paid for cash of £90, being the initial share capital |                         |                       |
| 14 | RESERVES                                                                                                                                                         |                         |                       |
|    |                                                                                                                                                                  | Called up share capital | Profit & loss account |
|    |                                                                                                                                                                  | £                       | £                     |
|    | Share issue                                                                                                                                                      | 90                      | -                     |
|    | Transfer from profit & loss account                                                                                                                              | -                       | (122,905)             |
|    |                                                                                                                                                                  | <hr/>                   | <hr/>                 |
|    | At 31 December 2006                                                                                                                                              | 90                      | (122,905)             |
|    |                                                                                                                                                                  | <hr/>                   | <hr/>                 |

(122,905)

(122,815)

ESSENTIAL RECRUITMENT (UK) LIMITEDNOTES TO THE ACCOUNTS30 SEPTEMBER 2006

## 15 RELATED PARTIES

During the period the company traded with Horizon Recruitment Limited a company in which J B Dollan and E J Zywicki are directors and shareholders. Included in other creditors at the balance sheet date is a loan due to Horizon Recruitment Limited of £17,977 (note 12) and included in trade creditors is an amount of £4,201 (note 12)

## 16 ULTIMATE CONTROLLING PARTY

In the opinion of the directors, there is no ultimate controlling party