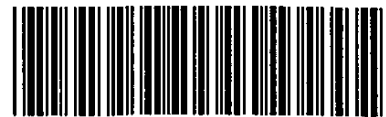


**REGISTERED NUMBER: 6421189 (England and Wales)**

**SMART SOLUTIONS (RECRUITMENT) LIMITED**  
**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JULY 2011**

**RE-SCAN**

**SATURDAY**



\*A17T15CA\*

A35

28/04/2012

#50

COMPANIES HOUSE

**SMART SOLUTIONS (RECRUITMENT) LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST JULY 2011**

---

|                                            | <b>Page</b>     |
|--------------------------------------------|-----------------|
| <b>Company Information</b>                 | <b>1</b>        |
| <b>Report of the Directors</b>             | <b>2 to 3</b>   |
| <b>Report of the Independent Auditor</b>   | <b>4 to 5</b>   |
| <b>Profit and Loss Account</b>             | <b>6</b>        |
| <b>Balance Sheet</b>                       | <b>7</b>        |
| <b>Cash Flow Statement</b>                 | <b>8</b>        |
| <b>Notes to the Financial Statements</b>   | <b>9 to 18</b>  |
| <b>Trading and Profit and Loss Account</b> | <b>19 to 20</b> |

**SMART SOLUTIONS (RECRUITMENT) LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31ST JULY 2011**

---

|                           |                                                                                                            |
|---------------------------|------------------------------------------------------------------------------------------------------------|
| <b>DIRECTORS:</b>         | Mr N I Bowles<br>Mr P R Ragan                                                                              |
| <b>SECRETARY:</b>         | Mr N I Bowles                                                                                              |
| <b>REGISTERED OFFICE</b>  | Raleigh House<br>Unit 3 Langstone Business Village<br>Langstone Park<br>Newport<br>South Wales<br>NP18 2LH |
| <b>REGISTERED NUMBER:</b> | 6421189 (England and Wales)                                                                                |
| <b>AUDITORS:</b>          | KPMG LLP<br>3 Assembly Square<br>Britannia Quay<br>Cardiff<br>CF10 4AX                                     |
| <b>BANKERS</b>            | Lloyds TSB<br>1 Gwent Square<br>Cwmbran<br>Torfaen<br>NP44 1XN                                             |

## **SMART SOLUTIONS (RECRUITMENT) LIMITED**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JULY 2011**

---

The directors present their report with the audited financial statements of the company for the year ended 31st July 2011

#### **PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

The principal activity of the company in the year under review was that of a recruitment agency

As shown in the company's profit and loss account on page 6, the company's sales have increased by £12,893,316 (2010 increase of £8,951,550) representing an 88% increase over the previous year (2010 156% increase)

Company overheads increased by £1,639,312 representing an 87% increase over the previous year. The increase in overheads is a result of investment in new staff, new systems and developing client relationships

Despite the significant investment in resources, profit before taxation increased by £631,957 to £1,077,999

The company's balance sheet as detailed on page 7 shows a good position, shareholders' funds amounting to £994,497 (2010 £253,676)

#### **Principal risks and uncertainties**

The key business risks affecting the company are considered to relate to uncertainties in the employment market. The directors have reviewed the cash position of the company and the company's forecasts at the date of signing the accounts and the company is expected to continue to be cash generative for the forthcoming year and beyond. As a consequence the directors believe the company is well placed to manage its business risks successfully despite the current uncertain economic outlook

The directors continually review the financial risks to which the company is exposed and consider the main financial risk to the business to be in the form of bad debts. To help mitigate this risk, the company has strengthened its already stringent credit control management

#### **Results and Dividends**

The profit for the year after taxation was £740,821 (2010 £322,994). No interim dividends were paid during the year (2010 £66,000). The directors have not recommended the payment of a final dividend (2010 £107,769)

#### **Future prospects**

The directors are encouraged by the company's start to 2012 with further successes of gaining significant contracts in West Wales and the Midlands

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1st August 2010 to the date of this report

Mr N I Bowles  
Mr P R Ragan

Other directors holding office were as follows

Mr R Lewis - resigned 4th March 2011  
Mr S Heath - resigned 9th March 2011

#### **CHARITABLE CONTRIBUTIONS**

During the year, the company made charitable contributions totalling £3,967 (2010 £8,474)

## **SMART SOLUTIONS (RECRUITMENT) LIMITED**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JULY 2011**

---

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 then apply them consistently,
- make judgements and estimates that are reasonable,
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

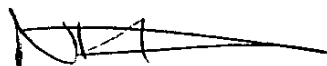
#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **AUDITORS**

In July 2011 the company appointed KPMG LLP as auditors and UHY Peacheys resigned. KPMG LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

#### **ON BEHALF OF THE BOARD:**



Mr N I Bowles - Secretary

Date 2 November 2011

## **REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF SMART SOLUTIONS (RECRUITMENT) LIMITED**

---

We have audited the financial statements of Smart Solutions (Recruitment) Limited for the year ended 31 July 2011 set out on pages 6 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditor**

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

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **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 31 July 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF  
SMART SOLUTIONS (RECRUITMENT) LIMITED**

---

**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



**K Maguire (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
3 Assembly Square  
Britannia Quay  
Cardiff  
CF10 4AX

Date **25<sup>th</sup> November 2011**

**SMART SOLUTIONS (RECRUITMENT) LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST JULY 2011**

|                                                          | Notes | 2011<br>£             | 2010<br>£             |
|----------------------------------------------------------|-------|-----------------------|-----------------------|
| <b>TURNOVER</b>                                          | 2     | 27,582,032            | 14,688,716            |
| Cost of sales                                            |       | <u>(22,957,223)</u>   | <u>(12,350,253)</u>   |
| <b>GROSS PROFIT</b>                                      |       | 4,624,809             | 2,338,463             |
| Administrative expenses                                  |       | <u>(3,526,407)</u>    | <u>(1,887,095)</u>    |
| <b>OPERATING PROFIT</b>                                  | 3     | 1,098,402             | 451,368               |
| Interest payable and similar charges                     |       | <u>(20,403)</u>       | <u>(5,326)</u>        |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |       | 1,077,999             | 446,042               |
| Tax on profit on ordinary activities                     | 6     | <u>(337,178)</u>      | <u>(123,048)</u>      |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                     |       | <u><u>740,821</u></u> | <u><u>322,994</u></u> |

All activities derive from continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

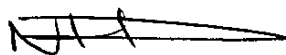
The notes form part of these financial statements

# SMART SOLUTIONS (RECRUITMENT) LIMITED

## BALANCE SHEET 31ST JULY 2011

|                                              | Notes | 2011<br>£          | 2010<br>£          |
|----------------------------------------------|-------|--------------------|--------------------|
| <b>FIXED ASSETS</b>                          |       |                    |                    |
| Tangible assets                              | 8     | 376,034            | 232,947            |
| <b>CURRENT ASSETS</b>                        |       |                    |                    |
| Debtors                                      | 9     | 7,766,767          | 3,843,256          |
| Cash at bank                                 |       | <u>81,762</u>      | <u>307,913</u>     |
|                                              |       | 7,848,529          | 4,151,169          |
| <b>CREDITORS</b>                             |       |                    |                    |
| Amounts falling due within one year          | 10    | <u>(7,125,334)</u> | <u>(4,069,369)</u> |
| <b>NET CURRENT ASSETS</b>                    |       | <u>723,195</u>     | <u>81,800</u>      |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 1,099,229          | 314,747            |
| <b>CREDITORS</b>                             |       |                    |                    |
| Amounts falling due after more than one year | 11    | (64,286)           | (32,658)           |
| <b>PROVISIONS FOR LIABILITIES</b>            | 14    | <u>(40,446)</u>    | <u>(28,413)</u>    |
| <b>NET ASSETS</b>                            |       | <u>994,497</u>     | <u>253,676</u>     |
| <b>CAPITAL AND RESERVES</b>                  |       |                    |                    |
| Called up share capital                      | 15    | 88,889             | 88,889             |
| Share premium                                | 16    | 91,111             | 91,111             |
| Profit and loss account                      | 16    | <u>814,497</u>     | <u>73,676</u>      |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u>994,497</u>     | <u>253,676</u>     |

The financial statements of Smart Solutions (Recruitment) Limited, registered number 6421189, were approved by the Board of Directors on 2 November 2011 and were signed on its behalf by



Mr N I Bowles - Director

The notes form part of these financial statements

**SMART SOLUTIONS (RECRUITMENT) LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST JULY 2011**

|                                                                                  |             | <b>2011</b>        | <b>2010</b>      |
|----------------------------------------------------------------------------------|-------------|--------------------|------------------|
|                                                                                  | <b>Note</b> | <b>£</b>           | <b>£</b>         |
| <b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>                                | <b>21</b>   | <b>(770,823)</b>   | <b>(598,411)</b> |
| <b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>                           |             |                    |                  |
| Interest paid                                                                    |             | (20,403)           | (5,326)          |
| <b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS<br/>AND SERVICING OF FINANCE</b> |             | <b>(20,403)</b>    | <b>(5,326)</b>   |
| <b>TAXATION</b>                                                                  |             | <b>(94,635)</b>    | <b>-</b>         |
| <b>CAPITAL EXPENDITURE</b>                                                       |             |                    |                  |
| Payments to acquire tangible fixed assets                                        |             | (263,552)          | (112,920)        |
| Receipts from sale of fixed assets                                               |             | 15,529             | -                |
| <b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>                                 |             | <b>(248,023)</b>   | <b>(112,920)</b> |
| <b>EQUITY DIVIDENDS PAID</b>                                                     |             | <b>-</b>           | <b>(173,769)</b> |
| <b>CASH OUTFLOW BEFORE FINANCING</b>                                             |             | <b>(1,133,884)</b> | <b>(890,426)</b> |
| <b>FINANCING</b>                                                                 |             |                    |                  |
| Movement in invoice discounting facility                                         |             | 854,003            | 1,200,351        |
| New hire purchase agreements                                                     |             | 103,801            | -                |
| Capital element of hire purchase                                                 |             | (50,071)           | (10,887)         |
| <b>NET CASH INFLOW FROM FINANCING</b>                                            |             | <b>907,733</b>     | <b>1,189,464</b> |
| <b>(DECREASE)/INCREASE IN CASH</b>                                               |             | <b>(226,151)</b>   | <b>299,038</b>   |

The notes form part of these financial statements

## SMART SOLUTIONS (RECRUITMENT) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2011

---

#### 1 ACCOUNTING POLICIES

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

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 2. The directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

##### **Turnover**

Turnover represents amounts (excluding value added tax) derived from the provision of services to customers. Revenue on temporary placements is recognised over the period of the placement.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset, less its estimated residual value, over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

|                          |               |
|--------------------------|---------------|
| Improvements to property | - 20% on cost |
| Fixtures and fittings    | - 20% on cost |
| Motor vehicles           | - 20% on cost |
| Computer equipment       | - 20% on cost |

##### **Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

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. Timing differences are differences between the Company's taxable profits and its 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 is measured at the average 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.

##### **Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability. Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

## SMART SOLUTIONS (RECRUITMENT) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST JULY 2011

---

#### 1 ACCOUNTING POLICIES (CONTINUED)

##### Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

#### 2 TURNOVER

The total turnover of the company for the year has been derived from its principal activity, wholly undertaken in the United Kingdom.

#### 3 OPERATING PROFIT

The operating profit is stated after charging

|                                                  | 2011              | 2010              |
|--------------------------------------------------|-------------------|-------------------|
|                                                  | £                 | £                 |
| Depreciation - owned assets                      | 78,531            | 49,207            |
| Depreciation - assets on hire purchase contracts | 23,188            | 12,996            |
| Pension costs                                    | 4,800             | 1,950             |
| Loss on disposal of fixed assets                 | 3,217             | -                 |
| Operating lease rentals                          |                   |                   |
| - other                                          | 11,241            | 9,640             |
| - land and buildings                             | 117,739           | 91,649            |
| Audit fees                                       | 12,000            | 6,000             |
| Non audit fees                                   | 2,000             | 2,000             |
|                                                  | <u>          </u> | <u>          </u> |

## SMART SOLUTIONS (RECRUITMENT) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2011

---

#### 4 EMPLOYEES

##### Number of employees

The average monthly number of employees during the year was

|                           | 2011<br>Number | 2010<br>Number |
|---------------------------|----------------|----------------|
| Management                | 5              | 4              |
| Finance, marketing and IT | 7              | 4              |
| Consultants               | 50             | 29             |
|                           | <u>62</u>      | <u>37</u>      |

##### Directors' emoluments

|        | 2011<br>£     | 2010<br>£     |
|--------|---------------|---------------|
| Salary | <u>99,315</u> | <u>12,000</u> |

##### Employment costs (including directors)

|                       | 2011<br>£        | 2010<br>£      |
|-----------------------|------------------|----------------|
| Wages and salaries    | 1,766,858        | 842,558        |
| Social security costs | 152,148          | 103,549        |
| Other pension costs   | <u>4,800</u>     | <u>1,950</u>   |
|                       | <u>1,923,806</u> | <u>948,057</u> |

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme and amounted to £4,800 (2010: £1,950). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

**SMART SOLUTIONS (RECRUITMENT) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST JULY 2011**

**5 INTEREST PAYABLE**

|                        | 2011<br>£     | 2010<br>£    |
|------------------------|---------------|--------------|
| Bank interest          | 2,378         | 814          |
| Hire purchase interest | 7,932         | 4,512        |
| Other interest         | 10,093        | -            |
|                        | <u>20,403</u> | <u>5,326</u> |

**6 TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

|                                                   | 2011<br>£      | 2010<br>£      |
|---------------------------------------------------|----------------|----------------|
| <b>Current tax</b>                                |                |                |
| UK corporation tax                                | <u>325,145</u> | <u>94,635</u>  |
| <b>Total current tax</b>                          | <u>325,145</u> | <u>94,635</u>  |
| <b>Deferred tax</b>                               |                |                |
| Origination and reversal of timing differences    | <u>12,033</u>  | <u>28,413</u>  |
| <b>Total deferred tax (see note 14)</b>           | <u>12,033</u>  | <u>28,413</u>  |
| <b>Total tax on profit on ordinary activities</b> | <u>337,178</u> | <u>123,048</u> |

**Factors affecting the tax charge**

The tax assessed for the year is higher (2010 - lower) than the standard rate of corporation tax in the UK

|                                                                                                                      | 2011<br>£        | 2010<br>£      |
|----------------------------------------------------------------------------------------------------------------------|------------------|----------------|
| Profit on ordinary activities before tax                                                                             | <u>1,077,999</u> | <u>446,042</u> |
| Profit on ordinary activities<br>multiplied by the standard rate of corporation tax<br>in the UK of 28% (2010 - 28%) | 301,840          | 124,892        |
| Effects of                                                                                                           |                  |                |
| Expenses not deductible for tax purposes                                                                             | 33,153           | 15,246         |
| Capital allowances in excess of depreciation                                                                         | (9,848)          | (3,035)        |
| Utilisation of losses                                                                                                | -                | (23,328)       |
| Marginal relief                                                                                                      | -                | (19,140)       |
| <b>Current tax charge</b>                                                                                            | <u>325,145</u>   | <u>94,635</u>  |

# SMART SOLUTIONS (RECRUITMENT) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST JULY 2011

### 6 TAXATION (CONTINUED)

The corporation tax rate has reduced from 28% to 27% from 1 April 2011 following the enactment of legislation in the UK. Proposed future reductions in the UK tax rate to 24% will be reflected when the relevant legislation is substantively enacted.

### 7 DIVIDENDS

|         | 2011<br>£ | 2010<br>£      |
|---------|-----------|----------------|
| Final   | -         | 107,769        |
| Interim | -         | 66,000         |
|         | <u>-</u>  | <u>173,769</u> |

### 8 TANGIBLE FIXED ASSETS

|                       | Improvements<br>to<br>property<br>£ | Fixtures<br>and<br>fittings<br>£ | Motor<br>vehicles<br>£ | Computer<br>equipment<br>£ | Totals<br>£    |
|-----------------------|-------------------------------------|----------------------------------|------------------------|----------------------------|----------------|
| <b>COST</b>           |                                     |                                  |                        |                            |                |
| At 1st August 2010    | 91,357                              | 74,221                           | 70,118                 | 123,684                    | 359,380        |
| Additions             | 21,783                              | 15,621                           | 116,951                | 109,197                    | 263,552        |
| Disposals             | -                                   | -                                | (24,995)               | -                          | (24,995)       |
| At 31st July 2011     | <u>113,140</u>                      | <u>89,842</u>                    | <u>162,074</u>         | <u>232,881</u>             | <u>597,937</u> |
| <b>DEPRECIATION</b>   |                                     |                                  |                        |                            |                |
| At 1st August 2010    | 30,418                              | 13,601                           | 23,788                 | 58,626                     | 126,433        |
| Charge for year       | 19,901                              | 16,197                           | 25,856                 | 39,765                     | 101,719        |
| Disposals             | -                                   | -                                | (6,249)                | -                          | (6,249)        |
| At 31st July 2011     | <u>50,319</u>                       | <u>29,798</u>                    | <u>43,395</u>          | <u>98,391</u>              | <u>221,903</u> |
| <b>NET BOOK VALUE</b> |                                     |                                  |                        |                            |                |
| At 31st July 2011     | <u>62,821</u>                       | <u>60,044</u>                    | <u>118,679</u>         | <u>134,490</u>             | <u>376,034</u> |
| At 31st July 2010     | <u>60,939</u>                       | <u>60,620</u>                    | <u>46,330</u>          | <u>65,058</u>              | <u>232,947</u> |

**SMART SOLUTIONS (RECRUITMENT) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST JULY 2011**

**8 TANGIBLE FIXED ASSETS (CONTINUED)**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

|                       | Motor vehicles<br>£ |
|-----------------------|---------------------|
| <b>COST</b>           |                     |
| At 1st August 2010    | 64,980              |
| Additions             | 103,801             |
| Disposals             | <u>(24,995)</u>     |
| At 31st July 2011     | <u>143,786</u>      |
| <b>DEPRECIATION</b>   |                     |
| At 1st August 2010    | 22,503              |
| Charge for year       | 23,188              |
| Disposals             | <u>(6,249)</u>      |
| At 31st July 2011     | <u>39,442</u>       |
| <b>NET BOOK VALUE</b> |                     |
| At 31st July 2011     | <u>104,344</u>      |
| At 31st July 2010     | <u>42,477</u>       |

**9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|               | 2011<br>£        | 2010<br>£        |
|---------------|------------------|------------------|
| Trade debtors | 6,753,111        | 3,693,592        |
| Other debtors | 857,125          | 81,626           |
| Prepayments   | <u>156,531</u>   | <u>68,038</u>    |
|               | <u>7,766,767</u> | <u>3,843,256</u> |

**10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 2011<br>£        | 2010<br>£        |
|------------------------------------|------------------|------------------|
| Trade creditors                    | 1,258,982        | 670,946          |
| Hire purchase contracts            | 32,986           | 10,884           |
| Corporation tax                    | 325,145          | 94,635           |
| Other taxation and social security | 976,697          | 316,323          |
| Other creditors                    | 81,333           | 47,934           |
| Invoice discounting facility       | 3,221,585        | 2,367,582        |
| Directors' current accounts        | -                | 35,048           |
| Accruals and deferred income       | <u>1,228,606</u> | <u>526,017</u>   |
|                                    | <u>7,125,334</u> | <u>4,069,369</u> |

**SMART SOLUTIONS (RECRUITMENT) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST JULY 2011**

**11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                                   | 2011   | 2010   |
|-----------------------------------|--------|--------|
|                                   | £      | £      |
| Hire purchase contracts 2-5 years | 64,286 | 32,658 |
| Hire purchase contracts > 5 years | -      | -      |

**12 SECURED DEBTS**

The following secured debts are included within creditors

|                              | 2011             | 2010             |
|------------------------------|------------------|------------------|
|                              | £                | £                |
| Hire purchase contracts      | 97,272           | 43,542           |
| Invoice discounting facility | 3,221,585        | 2,367,582        |
|                              | <u>3,318,857</u> | <u>2,411,124</u> |

The invoice discounting liability is secured on trade debtors

Hire purchase liabilities are secured against the related assets

**13 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

|                            | 2011<br>Land and<br>buildings<br>£ | 2011<br>Other<br>£ | 2010<br>Land and<br>buildings<br>£ | 2010<br>Other<br>£ |
|----------------------------|------------------------------------|--------------------|------------------------------------|--------------------|
| Expiring                   |                                    |                    |                                    |                    |
| Within one year            | -                                  | -                  | -                                  | 2,911              |
| Between one and five years | 67,100                             | 30,138             | 15,600                             | 19,057             |
| In more than five years    | <u>37,008</u>                      | <u>-</u>           | <u>90,260</u>                      | <u>-</u>           |
|                            | <u>104,108</u>                     | <u>30,138</u>      | <u>105,860</u>                     | <u>21,968</u>      |

**14 PROVISIONS FOR LIABILITIES**

|                            | Deferred<br>tax<br>£ |
|----------------------------|----------------------|
| Balance at 1st August 2010 | 28,413               |
| Charge for the year        | <u>12,033</u>        |
| Balance at 31st July 2011  | <u>40,446</u>        |

# SMART SOLUTIONS (RECRUITMENT) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST JULY 2011

### 14 PROVISIONS FOR LIABILITIES (CONTINUED)

The deferred taxation liability consists of the tax effect of timing differences in respect of accelerated capital allowances. Deferred tax has been provided at 28% (2010 28%). The corporation tax rate has reduced from 28% to 27% from 1 April 2011 following the enactment of legislation in the UK. Proposed future reductions in the UK tax rate to 24% will be reflected when the relevant legislation is substantively enacted.

### 15 SHARE CAPITAL

Allotted, issued, called up and fully paid

| Number | Class    | Nominal<br>value<br>£1 | 2011<br>£     | 2010<br>£     |
|--------|----------|------------------------|---------------|---------------|
| 88,889 | Ordinary | £1                     | <u>88,889</u> | <u>88,889</u> |

### 16 RESERVES

|                              | Profit<br>and loss<br>account<br>£ | Share<br>premium<br>£ | Totals<br>£    |
|------------------------------|------------------------------------|-----------------------|----------------|
| At the beginning of the year | 73,676                             | 91,111                | 164,787        |
| Profit for the year          | <u>740,821</u>                     | <u>-</u>              | <u>740,821</u> |
| At the end of the year       | <u>814,497</u>                     | <u>91,111</u>         | <u>905,608</u> |

### 17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

|                                     | 2011<br>£      | 2010<br>£        |
|-------------------------------------|----------------|------------------|
| Profit for the financial year       | 740,821        | 322,994          |
| Dividends                           | <u>-</u>       | <u>(173,769)</u> |
| Net addition in shareholders' funds | 740,821        | 149,225          |
| Opening shareholders' funds         | <u>253,676</u> | <u>104,451</u>   |
| Closing shareholders' funds         | <u>994,497</u> | <u>253,676</u>   |

## SMART SOLUTIONS (RECRUITMENT) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST JULY 2011

---

#### 18 TRANSACTIONS WITH DIRECTOR

The director operates a current loan account with the company, which is debited with payments made by the company on behalf of the director and credited with funds introduced and undrawn directors' fees

The following balance was due to the director at the year end

|             | 2011          | 2010          |
|-------------|---------------|---------------|
|             | £             | £             |
| Mr N Bowles | <u>54,535</u> | <u>18,481</u> |

#### 19 RELATED PARTY DISCLOSURES

During the year the company sold goods and services to the value of £54,745 to Midas People Management Limited. At the year end, the company was owed £54,745 from Midas People Management Limited

During the year the company sold goods and services to the value of £210,694 to Edgar Stewart Selection Limited. At the year end, the company was owed £110,323 from Edgar Stewart Selection Limited

During the year, the company sold goods and services to the value of £60,126 (2010 £31,008), to Le Bowke Logistics Limited. At the year end, the company was owed £5,552 (2010 £46,461) from Le Bowke Logistics Limited

During the year, the company sold goods and services to the value of £7,922 (2010 £29,984) to Smart Talk Solutions Limited. At the year end, the company was owed £Nil (2010 £35,004) from Smart Talk Solutions Limited

During the year the company purchased services to the value of £6,500 (2010 £11,800) from Ragan Private Investments Limited and £Nil (2010 £8,329) from West End Building & Civil Engineering Limited. There was no outstanding liability to either company at the year end

The above transactions are related due to common directors

During the year the company made payments of £633,500 to an Employee Benefit Trust in which Mr N Bowles is a trustee and beneficiary. Included in other debtors is an amount of £633,500 owed from the Employee Benefit Trust to the company

During the year ended 31 July 2010, dividends totalling £173,769 were paid to the directors, £68,923 to both Mr N Bowles and Mr S Heath and £35,923 to Mr R Lewis. No dividends were paid during the year ended 31 July 2011

#### 20 ULTIMATE CONTROLLING PARTY

The company is ultimately controlled by the directors by virtue of their shareholding

**SMART SOLUTIONS (RECRUITMENT) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST JULY 2011**

**21 NOTES TO THE CASH FLOW STATEMENT**

**RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

|                                            | <b>2011</b>      | <b>2010</b>      |
|--------------------------------------------|------------------|------------------|
|                                            | <b>£</b>         | <b>£</b>         |
| Operating profit                           | 1,098,402        | 451,368          |
| Depreciation                               | 101,719          | 80,344           |
| Loss on disposal of fixed assets           | 3,217            | -                |
| Increase in debtors                        | (3,923,511)      | (2,048,337)      |
| Increase in creditors                      | 1,949,350        | 918,214          |
|                                            | <u>(770,823)</u> | <u>(598,411)</u> |
| Net cash outflow from operating activities |                  |                  |

**ANALYSIS OF NET FUNDS**

|                              | <b>1 August<br/>2010</b> | <b>Cash Flow</b>   | <b>Non-cash<br/>Changes</b> | <b>31 July<br/>2011</b> |
|------------------------------|--------------------------|--------------------|-----------------------------|-------------------------|
|                              | <b>£</b>                 | <b>£</b>           | <b>£</b>                    | <b>£</b>                |
| <b>Net cash</b>              |                          |                    |                             |                         |
| Cash at bank and in hand     | 307,913                  | (226,151)          | -                           | 81,762                  |
|                              | <u>307,913</u>           | <u>(226,151)</u>   | <u>-</u>                    | <u>81,762</u>           |
| <b>Debt</b>                  |                          |                    |                             |                         |
| Hire purchase agreements     | (43,542)                 | 50,071             | (103,801)                   | (97,272)                |
| Invoice discounting facility | (2,367,582)              | (854,003)          | -                           | (3,221,585)             |
|                              | <u>(2,411,124)</u>       | <u>(803,932)</u>   | <u>(103,801)</u>            | <u>(3,318,857)</u>      |
| Net debt                     | <u>(2,103,211)</u>       | <u>(1,030,083)</u> | <u>(103,801)</u>            | <u>(3,237,095)</u>      |

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

|                                                        | <b>2011</b>        | <b>2010</b>        |
|--------------------------------------------------------|--------------------|--------------------|
|                                                        | <b>£</b>           | <b>£</b>           |
| Decrease in cash in the year                           | (226,151)          | 299,039            |
| Cash outflow in respect of hire purchase               | 50,071             | 10,887             |
| Cash inflow in respect of invoice discounting facility | (854,003)          | (1,200,351)        |
| Change in net debt resulting from cash flows           | (1,030,083)        | (890,425)          |
| New hire purchase agreements                           | (103,801)          | -                  |
| Movement between net funds to net debt in the period   | (1,133,884)        | (890,425)          |
| Net debt at 1 August 2010                              | <u>(2,103,211)</u> | <u>(1,212,786)</u> |
| Net debt at 31 July 2011                               | <u>(3,237,095)</u> | <u>(2,103,211)</u> |



*Companies House*  
— for the record —

**COMPANY NAME:** SMART SOLUTIONS (RECRUITMENT)  
LIMITED  
**COMPANY NUMBER:** 06421189

Pages containing unnecessary material in the accounts were administratively removed from the public register on 14/08/2012