

SSR General & Management Limited
Report and Financial Statements

31 December 2010

Registered No 06796708

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COMPANIES HOUSE

DIRECTORS

P J French
Y Stratton
J D Smith
P T Davis
N J Dudley

SECRETARY

N J Dudley

AUDITORS

Mazars LLP
45 Church Street
Birmingham
B3 2RT

BANKERS

Lloyds TSB plc
125 Colmore Row
Birmingham
B3 2DS

SOLICITORS

Gateley LLP
One Eleven
Edmund Street
Birmingham
B3 2HJ

REGISTERED OFFICE

Meriden Hall
Main Road
Meriden
Warwickshire
CV7 7PT

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2010

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Company is that of a recruitment agency for security professionals. The results for the year are considered to be satisfactory as are future prospects.

RESULTS AND DIVIDENDS

On 9 June 2010 the Company acquired part of the trade and assets of SSR Personnel Incorporating Executive Profiles Limited and commenced trading.

During the year the Company made a loss after taxation of £13,571 (2009 nil). The directors do not recommend a dividend (2009 £nil) and the result for the year has been transferred to reserves.

DIRECTORS

The directors holding office during the year and subsequently were as follows:

SSR Personnel Incorporating Executive Profiles Limited - resigned 10 August 2011

P J French – appointed 10 August 2011

Y Stratton

J D Smith – appointed 10 August 2011

P T Davis – appointed 10 August 2011

N J Dudley – appointed 10 August 2011

During the year and subsequently the sole director of SSR Personnel Incorporating Executive Profiles Limited was P J French.

AUDITORS

Subsequent to the approval of the previous report and financial statements Mazars LLP were appointed auditors of the Company.

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

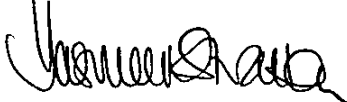
- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's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

Mazars LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

SPECIAL PROVISIONS RELATING TO SMALL COMPANIES

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Y Stratton
Director

9 February 2012

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 judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business
- 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 SSR GENERAL & MANAGEMENT LIMITED

We have audited the financial statements of SSR General and Management Limited for the year ended 31 December 2010, which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Reconciliation of Movements in Shareholders' Funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

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. 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 APB's web-site 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 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

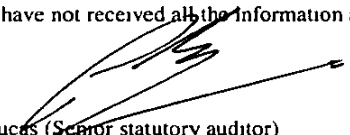
Opinion on the other matter prescribed by the Companies Act 2006

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.


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

10 February 2012

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2010

	<i>Notes</i>	<i>2010</i> £	<i>2009</i> £
TURNOVER	2	515,606	-
Cost of sales		(247,273)	-
GROSS PROFIT		268,333	-
Administrative expenses		(281,904)	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(13,571)	-
Taxation	5	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	10	(13,571)	-

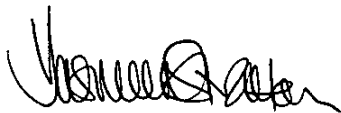
The Company had no recognised gains or losses other than those included in the profit and loss account shown above. Accordingly, no statement of total recognised gains and losses is presented.

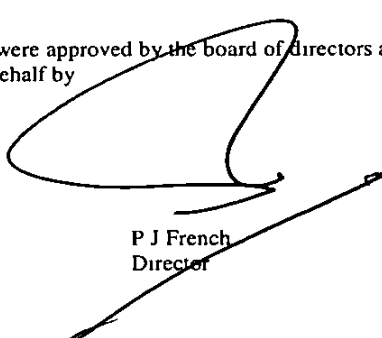
All activities arose from continuing operations.

BALANCE SHEET
 at 31 December 2010

	<i>Notes</i>	<i>2010</i> £	<i>2009</i> £
FIXED ASSETS			
Intangible assets	6	31,588	-
CURRENT ASSETS			
Debtors	7	87,443	-
Cash at bank and in hand		100	2
		87,543	2
CREDITORS amounts falling due within one year	8	(127,702)	-
NET CURRENT (LIABILITIES) / ASSETS		(40,159)	2
TOTAL ASSETS LESS CURRENT LIABILITIES		(8,571)	2
CAPITAL AND RESERVES			
Share capital	9	5,000	2
Profit and loss account	10	(13,571)	-
SHAREHOLDERS' (DEFICIT) / FUNDS	11	(8,571)	2

The financial statements on pages 5 to 12 were approved by the board of directors and authorised for issue on 9 February 2012 and are signed on its behalf by


 Y Stratton
 Director


 P J French
 Director

CASH FLOW STATEMENT
for the year ended 31 December 2010

	<i>2010</i>	<i>2009</i>
	<i>£</i>	<i>£</i>
Operating loss	(13,571)	-
Amortisation of intangible assets	949	-
Increase in debtors	(85,645)	-
Increase in creditors	98,365	-
Increase in share capital	-	2
	<u> </u>	<u> </u>
NET CASH FLOW FROM OPERATING ACTIVITIES		
BEING MOVEMENT IN CASH DURING THE YEAR	98	2
	<u> </u>	<u> </u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	<i>2010</i>	<i>2009</i>
	<i>£</i>	<i>£</i>
Change in cash and movement in net funds during the year	98	2
NET FUNDS AT 1 JANUARY / INCORPORATION	2	-
	<u> </u>	<u> </u>
NET FUNDS AT 31 DECEMBER	100	2
	<u> </u>	<u> </u>

ANALYSIS OF NET FUNDS

	<i>At</i>		<i>At</i>
	<i>1 January</i>	<i>Cash</i>	<i>31 December</i>
	<i>2010</i>	<i>flow</i>	<i>2010</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Cash	2	98	100
	<u> </u>	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010**1 ACCOUNTING POLICIES**

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

Basis of Preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and the small provisions of the Companies Act 2006 and under the historical cost convention.

The Directors have received an undertaking from the group of which the Company is part of at the date of approval of these financial statements 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.

Revenue recognition

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.

Turnover from temporary assignment sales are predominantly recognised on a weekly basis corresponding with the assignment week, and fees arising from the placement of permanent staff are predominantly recognised at the point of commencement of employment.

Intangible assets – goodwill

Goodwill arising on the acquisition of businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is 20 years. Provision is made for any impairment.

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 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.

2. TURNOVER

Turnover, which is stated net of value added tax and trade discounts, is attributable to the one continuing principal activity. Of the turnover, 17% relates to overseas markets and the remainder is attributable to the UK market.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

3 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging

	2010 £	2009 £
Amortisation of intangible assets	949	-
Directors' remuneration - emoluments	29,167	-
	<u>29,167</u>	<u>-</u>

SSR Personnel Incorporating Executive Profiles Limited did not receive any remuneration for acting as a director of the Company

The auditors' remuneration for the audit of the Company's statutory accounts amounting to £3,500 (2009 £nil) is borne by Network Ventures Limited, the current parent undertaking. No other fees are payable to the Company's auditors for non-audit services in either year.

4 STAFF COSTS

Staff costs (including directors) consists of

	2010 £	2009 £
Wages and salaries	176,145	-
Social security costs	19,374	-
	<u>195,519</u>	<u>-</u>

The average number of employees (including directors) during the year was 8 (2009 nil)

5 TAXATION

(a) Tax on loss on ordinary activities

There is no tax charge in either year

(b) Factors affecting current tax charge / (credit)

The tax assessed on the loss on ordinary activities for the year is different to the standard rate of corporation tax in the UK of 28% (2009 28%). The differences are reconciled below

	2010 £	2009 £
Loss on ordinary activities before tax	(13,571)	-
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 28%)	(3,800)	-
Expenses not deductible for tax purposes	587	-
Unrelieved tax losses	3,213	-
	<u>-</u>	<u>-</u>
Total current tax charge (note 5(a))	-	-

The tax charge in future periods will be affected by the reduction in the rate of corporation tax from 28% to 27% from 1 April 2011 with further reductions anticipated thereafter

(c) Deferred tax

The amount of unrecognised deferred tax assets at 31 December 2010 is £3,213 (2009 £nil) in respect of trading losses

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

6. INTANGIBLE FIXED ASSETS

	<i>Goodwill</i> £
<i>Cost</i>	
At 1 January 2010	-
Additions	32,537
At 31 December 2010	<u>32,537</u>
<i>Amortisation</i>	
At 1 January 2010	-
Charge for year	949
At 31 December 2010	<u>949</u>
<i>Net book value</i>	
At 31 December 2010	<u><u>31,588</u></u>
At 31 December 2009	<u><u>-</u></u>

During the year the Company acquired part of the trade and assets of SSR Personnel Incorporating Executive Profiles Limited

7. DEBTORS

	<i>2010</i> £	<i>2009</i> £
Trade debtors	84,466	-
Other debtors	1,800	-
Prepayments and accrued income	1,177	-
	<u>87,443</u>	<u>-</u>

The Company has assigned all trade debtors to Network Ventures Limited under a debt assignment agreement, with full recourse to the Company. Although under the terms of the debt assignment agreement these debtors are legally assigned to Network Ventures Limited, in accordance with UK accounting standard FRS 5 Reporting the Substance of Transactions, as the ultimate risks and rewards reside with the Company, the balance due from external customers has been reflected gross with an increase in the amounts due to other creditors.

Other debtors includes £1,800 (2009 £nil) in respect of unpaid share capital

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

8 CREDITORS amounts falling due within one year

	2010 £	2009 £
Trade creditors	26,655	-
Amounts due to parent undertaking	31,726	-
Other taxation and social security	27,955	-
Other creditors	38,650	-
Accruals	2,716	-
	<u>127,702</u>	<u>-</u>

Trade creditors includes £26,655 (2009 nil) due to related parties (note 13)

The amounts due to other creditors are increased by £84,466 (2009 £nil) as a result of the treatment of trade debtors assigned to Network Ventures Limited (see note 7)

Amounts due to other creditors include £36,720 secured by way of an all monies debenture in favour of Network Ventures Limited created on 9 June 2010

9. SHARE CAPITAL

	2010 £	2009 £
Authorised and issued, 5,000 / 2 Ordinary shares of £1 each	<u>5,000</u>	<u>2</u>
Allotted, called up and fully paid 5,000 / 2 Ordinary shares of £1 each	<u>5,000</u>	<u>2</u>

On 25 February 2010 the authorised share capital was increased to £5,000 by the creation of 4,998 ordinary shares of £1 each. On the same date 4,998 ordinary shares of £1 each were issued at par

10 RESERVES

	<i>Profit and loss account £</i>
At 1 January 2010	-
Loss on ordinary activities after taxation	<u>(13,571)</u>
At 31 December 2010	<u>(13,571)</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' (DEFICIT) / FUNDS

	2010 £	2009 £
Loss for the financial year	(13 571)	-
Shares issued	4,998	2
Net (decrease) / increase in shareholders funds	(8,573)	2
Opening shareholders' funds	2	-
Closing shareholders' (deficit) / funds	(8,571)	2

12 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate and ultimate parent company at the balance sheet date was SSR Personnel Incorporating Executive Profiles Limited, a company incorporated in England and Wales, which is controlled by P J French

Subsequent to the balance sheet date, on 10 August 2011, Network Ventures Limited acquired a controlling shareholding and consequently the immediate parent undertaking changed to Network Ventures Limited, a company incorporated in England and Wales, and the ultimate parent undertaking changed to Network Group Holdings Plc, a company incorporated in England and Wales. The share capital of Network Group Holdings Plc is quoted on the Alternative Investment Market. 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.

13 RELATED PARTY TRANSACTIONS

SSR Personnel Incorporating Executive Profiles Limited

During the year, the Company acquired part of the trade and assets of SSR Personnel Incorporating Executive Profiles Limited, the parent company at the balance sheet date, a director of the Company and a company controlled by P J French, for the sum of £151,872.

Also during the year, recharges at cost of expenditure for goods and services amounting to £64,336 (2009 £nil) were made to the Company from SSR Personnel Incorporating Executive Profiles Limited.

The amount outstanding at the balance sheet date due to SSR Personnel Incorporating Executive Profiles Limited was £58,381 (2009 £nil) (note 8).

14 CONTINGENT LIABILITIES

Following the acquisition of a controlling shareholding in the Company by Network Ventures Limited following the balance sheet date, the Company became party to cross-guarantees associated with part of the banking facilities of the group to which Company now is a part of. The Company has granted a debenture as security for the above.

The cross-guarantees were not in place at the balance sheet date.