Financial Statements
Talent Outsourcing Solutions Limited

For the Year Ended 30 June 2016

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COMPANIES HOUSE

Registered number: 07909721

Company Information

Directors	J R Butterfield P M Dundon
Company secretary	P Dundon
Registered number	07909721
Registered office	First Floor 134 Edmund Street Birmingham B3 2ES
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 4 Hardman Square Spinningfields Manchester M3 3EB

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Directors' Report

For the Year Ended 30 June 2016

The directors present their report and the financial statements for the year ended 30 June 2016.

Principal activity

The principal activity of the company continued to be that of the supply of technology staffing and technology consulting services.

Directors

The directors who served during the year were:

J R Butterfield
P M Dundon

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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.

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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

Directors' Report (continued)

For the Year Ended 30 June 2016

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

P M Dundon
Director

Date: 30 March 2017

Independent Auditor's Report to the Shareholders of Talent Outsourcing Solutions Limited

We have audited the financial statements of Talent Outsourcing Solutions Limited for the year ended 30 June 2016, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 on page 1, 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.

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 website at www.frc.org.uk/auditscopeukprivate.

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 30 June 2016 and of its profit 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 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 those financial statements.

Independent Auditor's Report to the Shareholders of Talent Outsourcing Solutions 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Grant Thornton UK LLP.

Carla Kennaugh (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
4 Hardman Square
Spinningfields
Manchester
M3 3EB

31 March 2017

Statement of Comprehensive Income

For the Year Ended 30 June 2016

	Note	2016 £	2015 £
Turnover	4	**3,765,794**	1,136,814
Cost of sales		**(3,528,215)**	(1,074,790)
Gross profit		**237,579**	62,024
Administrative expenses		**(199,501)**	(49,038)
Operating profit		**38,078**	12,986
Interest payable and similar charges	7	**(11,013)**	(5,987)
Profit before tax		**27,065**	6,999
Tax on profit	8	**(5,451)**	-
Profit for the Year		**21,614**	6,999
Other comprehensive income for the Year			
Total comprehensive income for the Year		**21,614**	6,999

The notes on pages 8 to 14 form part of these financial statements.

Talent Outsourcing Solutions Limited
Registered number:07909721

Statement of Financial Position

As at 30 June 2016

	Note	£	2016 £	£	2015 £
Current assets					
Debtors: amounts falling due within one year	9	**1,181,411**		567,269	
		1,181,411		567,269	
Creditors: amounts falling due within one year	10	**(1,152,798)**		(560,270)	
Net current assets			**28,613**		6,999
Total assets less current liabilities			**28,613**		6,999
Net assets			**28,613**		6,999
Capital and reserves					
Called up share capital	11		**2**		2
Share premium account	12		**643,471**		643,471
Profit and loss account	12		**(614,860)**		(636,474)
			28,613		6,999

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

P M Dundon
Director

Date: 30 March 2017

The notes on pages 8 to 14 form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 30 June 2016

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2015	2	643,471	(636,474)	6,999
Comprehensive income for the year				
Profit for the Year	-	-	21,614	21,614
Total comprehensive income for the year	-	-	21,614	21,614
At 30 June 2016	2	643,471	(614,860)	28,613

Statement of Changes in Equity
For the Year Ended 30 June 2015

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2014	2	643,471	(643,473)	-
Comprehensive income for the year				
Profit for the year	-	-	6,999	6,999
Total comprehensive income for the year	-	-	6,999	6,999
At 30 June 2015	2	643,471	(636,474)	6,999

The notes on pages 8 to 14 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2016

1. General information

Talent Outsourcing Solutions Limited is a limited liability company incorporated in the United Kingdom. Its registered office is First Floor, 134 Edmund Street, Birmigham, B3 2ES.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 15.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The financial statements are presented in Sterling (£) (the company's functional currency).

The following principal accounting policies have been applied:

2.2 FRS 102 - Disclosure exemptions

The individual accounts of Talent Outsourcing Solutions Limited have adopted the following disclosure exemptions:

- the requirement to present statements of cash flows and related notes.

- financial instrument disclosures including categories of financial instruments, items of income, expenses, gains or losses relating to financial instruments, and exposure to and management of financial risks.

2.3 Going concern

The company's current year management accounts and forecasts indicate the company continues to increase turnover, sustain gross margin and has eradicated its previous operating losses.

The company has the continued support of its major shareholders, and the directors are confident the company has sufficient cash headroom within its existing facilities to achieve its forecast outturn for the period to at least March 2018.

The directors are satisfied the going concern basis of preparation of these financial statements is appropriate.

Notes to the Financial Statements

For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Permanent placement revenue is recognised in the month in which the candidate starts and contractor revenue is recognised in the accounts based on week ending date.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the Financial Statements

For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.7 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

2.8 Taxation

Tax is recognised in the Statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

Notes to the Financial Statements

For the Year Ended 30 June 2016

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Management consider there to be no key judgements in the application of accounting policies, nor any key sources of estimation uncertainty.

4. Turnover

All turnover arose within the United Kingdom.

5. Auditor's remuneration

The auditor's remuneration has been met by the parent undertaking during the current and prior year.

6. Employees

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	**98,698**	29,874
Social security costs	**11,717**	3,822
Cost of defined contribution scheme	**1,001**	-
	111,416	33,696

The average monthly number of employees, including the directors, during the year was as follows:

	2016	2015
	No.	No.
	2	2

7. Interest payable and similar charges

	2016	2015
	£	£
Other interest payable	**11,013**	5,987

Notes to the Financial Statements

For the Year Ended 30 June 2016

8. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	**5,451**	-
	5,451	-
Total current tax	**5,451**	-
Deferred tax		
Total deferred tax	**-**	-
Taxation on profit on ordinary activities	**5,451**	-

Factors affecting tax charge for the year/year

The tax assessed for the year is higher than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.75%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	**27,065**	6,999
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.75%)	**5,413**	1,452
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**38**	78
Group relief	**-**	(1,530)
Total tax charge for the year	**5,451**	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

9. Debtors

	2016 £	2015 £
Trade debtors	**1,181,411**	567,269

Notes to the Financial Statements

For the Year Ended 30 June 2016

10. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Invoice discounting	**495,354**	-
Trade creditors	**586,070**	552,143
Amounts owed to group undertakings	**40,962**	3,160
Corporation tax	**5,451**	-
Taxation and social security	**22,761**	2,904
Accruals and deferred income	**2,200**	2,063
	1,152,798	560,270

Invoice discounting is secured on the assets of the company.

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

11. Share capital

	2016	2015
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	**2**	2

12. Reserves

Share premium

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Includes all current and prior period retained profit and losses.

13. Related party transactions

The company has taken advantage of the exemption available under FRS 8 'Related Party Transaction' from disclosing related party transactions with other group entities that are wholly owned.

Notes to the Financial Statements

For the Year Ended 30 June 2016

14. Controlling party

The company is a wholly owned subsidiary of Talent International (UK) Limited who is the immediate parent company in the group. There is no ultimate controlling party.

15. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.