Work Group Resources Limited

Report and Financial Statements

Year Ended

31 December 2015

Company Number 08876607

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Work Group Resources Limited

Report and financial statements
for the year ended 31 December 2015

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Work Group Resources Limited

Report and financial statements
for the year ended 31 December 2015

Director

Simon Howard

Secretary

Neil McClure

Registered office

Suite 2.01
17 Hanover Square
London
W1S 1BN

Company number

08876607

Auditors

BDO LLP
Chartered Accountants and Statutory Auditors
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Chairman's message

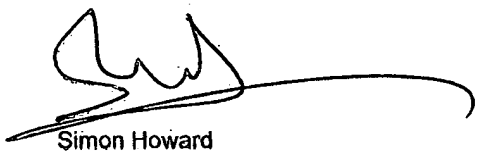
2015 was a difficult year for the Company which ended with the sale of the business and certain assets and liabilities to Capita Resourcing Ltd, subsidiary of Capita plc, on 31 December 2015.

A difficult market in the UK continued from 2014 with few new business opportunities and with existing clients unwilling to commit to long term contracts. Instead we were required to pitch for individual projects which normally involved very tight deadlines and marginal profitability.

The only bright spot was that we were able to leverage our substantial expertise to support our overseas affiliates in New York and Hong Kong.

The decision by our parent company, Work Group plc, to seek a buyer for all trading operations, which was announced in June 2015, effectively brought an end to efforts to revive the business and the successful sale on 31 December ended the Company's trading operations.

I would take the opportunity to thank all our employees for their efforts during the year and wish them well in their new home.



Simon Howard
Chairman
18 August 2016

Business model

During the year under review, Work Group Resources Limited was a human capital consulting company which provided a range of services built principally on employee engagement and recruitment outsourcing activities.

The client base for these services was principally made up of large corporate entities and government bodies where we would typically work with internal HR or Resourcing functions.

On 31 December 2015, the Company sold its operations and some of their assets and liabilities to Capita Resourcing Limited, subsidiary of Capita plc.

Strategy and objectives

The core elements of the Company's strategy, following the disposal of its trading operations is to preserve and enhance shareholder value by managing the remaining assets and liabilities to optimise the Company's cash position.

Financial review

	2015	2014
Turnover from continuing operations (£'000)	-	1,969
Gross margin from continuing operations (%)	-	45%
Gross margin from continuing operations (£'000)	-	879
Operating (loss)/profit from continuing operations (%)	-	(58%)
Operating (loss)/profit from continuing operations (£'000K)	-	(1,139)

Following the disposal of their operations on 31 December 2015, the Company ceased to trade while the remaining assets and liabilities are being managed to maximise the Company's cash position..

Principal risks and uncertainties

Following the sale of the Company's business on 31 December 2015 it ceased to trade.
Under the terms of the sale and purchase agreement the Company retained certain assets and liabilities which it continues to manage to its best advantage.

Once these matters have been settled it is intended that the Company should become dormant.

Going concern

Following the completion of the sale of the Company's trading operations and subsidiaries on 31 December 2015, the Company has received a formal letter of support from its parent company, Work Group plc.
For this reason, it is appropriate to continue to adopt the going concern basis in preparing the annual report and financial statements.

Approval

This Strategic Report was approved by order of the Board on 18 August 2016.

Neil McClure
Secretary

Work Group Resources Limited

Report of the director
for the year ended 31 December 2015

The Director presents his report together with the audited financial statements for the period ending 31 December 2015.

Principal activities

The Company was dormant from date of incorporation on 5 February 2014 until 1 August 2014 when the UK operations of Work Group plc were transferred to it pursuant to the terms of a Business Transfer Agreement effective 1 August 2014.

The principal activities of the Company from 1 August 2014 to 31 December 2015 were employer marketing services and recruitment process outsourcing services in the United Kingdom.

All trading activities and defined assets and liabilities were sold to Capita Resourcing Ltd under the terms of a sale and purchase contract on 31 December 2015.

Consequently, from 1 January 2016 the Company ceased to trade and all remaining assets and liabilities are being realised and paid off.

Directors

The Directors during the period were:

Simon Howard
Rose Colledge (resigned 31 December 2015)

No Director had any interest in the Ordinary or Preference shares of the company.

Simon Howard is also Director of the ultimate parent company, Work Group plc, and his interest in the share capital of that company is shown in its financial statements.

Going concern

As the Company ceased to trade at 31 December 2015 with a significant deficit on reserves, it is dependent upon support from its parent company, Work Group plc. The Director has received a formal letter of support from Work Group plc on which basis it is appropriate to prepare the report and accounts on a going concern basis.

Dividends

Due to the absence of available distributable reserves The Director is not able to recommend the payment of a dividend.

Directors' responsibilities

The Directors are responsible for preparing the Directors' and Strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements and the Directors' report for each financial year. Under that law the Directors have prepared the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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.

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.

Shareholdings

The Company is wholly owned by Work Group plc.

Independent auditors and disclosure of information to auditors

BDO LLP were appointed as auditors of the Company on incorporation. BDO LLP have expressed their willingness to continue in office. Under the Companies Act 2006 section 487 (2) they will be automatically re-appointed as auditors 28 days after these accounts are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their re-appointment.

For each of the persons who were Directors at the time this report was prepared, the following applies:

- So far as the Directors are aware, there is no relevant audit information (i.e. information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and

- The Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board

Neil McClure
Company Secretary
18 August 2016

Independent auditor's report

TO THE SHAREHOLDERS OF WORK GROUP RESOURCES LIMITED

We have audited the financial statements of Work Group Resources Limited for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity 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) including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The 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 of 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 auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC'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 FRC'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 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic and 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

BDO LLP

John Everingham (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom

Date 18 August 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Work Group Resources Limited

Statement of Comprehensive Income
for the year ended 31 December 2015

	Note	Continuing operations 2015 £'000	Discontinued operations 2015 £'000	Total 2015 £'000	Continuing operations 2014 £'000	Discontinued operations 2014 £'000	Total 2014 £'000
Turnover	4	-	**3,909**	**3,909**	1,969	-	1,969
Cost of sales		-	**(1,867)**	**(1,867)**	(1,090)	-	(1,090)
Gross profit		-	**2,042**	**2,042**	879	-	879
Operating expenses		-	**(2,624)**	**(2,624)**	(2,018)	-	(2,018)
Loss on disposal of operations	5	-	**(511)**	**(511)**	-	-	-
Exceptional item	8	-	**(119)**	**(119)**	-	-	-
Operating loss	4	-	**(1,212)**	**(1,212)**	(1,139)	-	(1,139)
Interest payable and similar charges		-	**(5)**	**(5)**	-	-	-
Loss on ordinary activities before taxation		-	**(1,217)**	**(1,217)**	(1,139)	-	(1,139)
Taxation on loss on ordinary activities	9	-	-	-	-	-	-
Loss for the financial year		-	**(1,217)**	**(1,217)**	(1,139)	-	(1,139)
Other comprehensive income							
Total comprehensive loss		-	**(1,217)**	**(1,217)**	(1,139)	-	(1,139)

The notes on pages 13 to 25 form part of these financial statements.

Work Group Resources Limited

Statement of financial position
as at 31 December 2015

	Note	2015 £'000	2014 £'000
Assets			
Fixed assets			
Property, plant and equipment	11	2	112
Intangible assets	12	-	99
		2	211
Current assets			
Stock	13	-	98
Trade and other receivables	14	-	317
		-	415
Liabilities			
Current liabilities			
Trade and other payables	16	(2,358)	(1,765)
		(2,358)	(1,765)
Net current liabilities		(2,358)	(1,350)
Net liabilities		(2,356)	(1,139)
Shareholders' equity			
Ordinary share capital	17	-	-
Retained losses		(2,356)	(1,139)
		(2,356)	(1,139)
Capital and reserves			
Called up share capital		-	-
Profit and loss account		(2,356)	(1,139)
Equity attributable to owners of the parent company		(2,356)	(1,139)

The financial statements on pages 13 to 25 were approved by the Board of Directors on 18 August 2016 and signed on its behalf by:

Simon Howard
Director

The notes on pages 13 to 25 form part of these financial statements.

Work Group Resources Limited

Statement of changes in equity
for the year ended 31 December 2015

	Share capital £'000	Profit and loss account £'000	Total equity £'000
On incorporation 5 February 2014	-	-	-
Loss for the year		(1,139)	(1,139)
At 31 December 2014	-	(1,139)	(1,139)
At 1 January 2015	-	(1,139)	(1,139)
Loss for the year	-	(1,217)	(1,217)
At 31 December 2015	**-**	**(2,356)**	**(2,356)**

The notes on pages 13 to 25 form part of these financial statements.

1 Accounting policies

Work Group Resources Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the group's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP), including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

These financial statements are the first financial statements prepared under FRS 102 and information on the impact of first-time adoption of FRS 102 is given in note 23.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 - Statement of Cash Flows for group and company
- the requirements of Section 3 - Financial Statement Presentation paragraph 3.17 (d)
- the requirements of Section 11 - Financial Instruments paragraphs 11.39 to 11.48A
- the requirements of Section 12 - Other Financial Instruments paragraphs 12.26 to 12.29

This information is included in the consolidated financial statements of Work Group Plc as at 31 December 2015 and these financial statements may be obtained from Companies House.

Going concern

This company is dependent on the financial support of its parent. Following the completion of the sale of the Company's trading operations and its parent Company's overseas subsidiaries on 31 December 2015. The Director has received a formal letter of support from the parent company.

For this reason, the company continues to adopt the going concern basis in preparing the annual report and financial statements.

Revenue and cost of sales

Revenue is stated net of value added tax.

Revenue is recognised when the right to the consideration is earned based on the terms of each client contract agreement. Revenue from advertising is recognised after the cover date of an advertisement is established or the right to cancellation of an advertisement has expired.

Unbilled revenue on client assignments is included as accrued income within trade and other receivables. Where individual on-account billings exceed revenue recognised on client assignments, the excess is classified as deferred income within trade and other payables.

Certain client contracts allow for volume discounts and are dependent on the value of media purchased through the Company. The discounts are provided for during the year based on anticipated media spend.

Cost of sales represents costs from third party suppliers.

1 **Accounting policies** *(continued)*

Exceptional items

Exceptional items are those income or costs recognised as one-off or non-recurring in nature, and substantial in size. The separate reporting of exceptional items helps provide a better indication of the Company's underlying business performance.

Fixed assets and depreciation

Property, plant and equipment are stated at historic purchase cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of property, plant and equipment, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Fixtures and fittings	-	20%
Computer equipment	-	33%

Intangible assets

Intangible assets, representing cost of software to operate the Company's ERP system, is stated at historic purchase cost less accumulated depreciation. The asset is depreciated on a straight line basis over its expected useful life at 20% per annum.

Impairment of fixed assets and other intangibles

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

At the end of 2015, the remaining assets after the disposal of all the operations for which a buyer had not been identified, were impaired as they were not necessary for the operations and their value was estimated unrecoverable.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within net operating expenses in the income statement.

Foreign currency translation

Foreign currency transactions are translated into pounds sterling using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings, cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses due to intercompany balances at period end are presented in the Income Statement within 'other operating income or loss'.

1 **Accounting policies** *(continued)*

Share based payments

The parent Company issued equity-settled, share-based payments, in the form of share options, to certain employees. In accordance with FRS 102, such options are measured at fair value at the date of grant. Fair value is measured using the Black-Scholes pricing model and is expensed on a straight line basis in the income statement over the vesting period, based on the Group's value of these options at the grant date and estimate of the number of shares that will eventually vest. All expired at 31 December 2015 under the terms of the sale and purchase agreement with a wholly owned subsidiary of Capita plc.

Taxation

The charge for taxation is based on the result for the year and takes into account deferred taxation.

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

Deferred tax is recognised, without discounting, in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- The recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.
- Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances are not discounted.

Stock

Stocks are valued at the lower of cost and net realisable value. Work in progress represents unbilled costs incurred in respect of revenue not recognised and is stated at the lower of cost and net realisable value. Debit amounts of work in progress were sold as part of the sale agreement, credit amounts are presented in creditors as part of Other payables.

Pension costs

The Company operates a defined contribution scheme, the costs of which are recognised in the income statement in the period in which they relate. The assets of the scheme are held separately from those of the Company in an independently administered scheme.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

As the Company had no employees at the year end this accrual was nil.

1 Accounting policies *(continued)*

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Reserves

The Company's reserves are as follows:

- Ordinary share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there are indicators of impairment of the company's tangible and intangible assets, including goodwill. Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account and current use of the assets. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Determine whether there are indicators of impairment or write off of current assets or liabilities. In 2015, after the disposal of operations, all assets and liabilities related to the current business have been written off against 'Other operating loss'.

3 Turnover

Turnover is wholly attributable to the principal activity of the company and less than 1% of the revenue arises from sales outside the UK.

Following the sale of its business and certain assets to Capita Resources Limited on 31 December 2015 the Company ceased to trade. As a result, the Revenue for the year ended 31 December 2015 has been classified as Discontinued.

4 Operating loss

	12 months ended 31 December 2015 £'000	5 months ended 31 December 2014 £'000
Operating loss is stated after charging/(crediting):		
Depreciation on plant, property and equipment - owned	**65**	45
Amortisation	**22**	9
Impairment of:		
- tangible assets	**7,799**	-
- intangible assets	**22**	-
Operating lease rentals:		
- plant and machinery	**22**	12
- land and buildings	**244**	98

The audit costs for this entity have been borne by the parent company and recharged.

5 Loss on disposal of operations and related costs

On 31 December 2015, the Company disposed of its operations, as well as some of its assets and liabilities as part of a sale agreement to Capita Resources Limited. Further to this transaction, the Company no longer has any business activity. A review of the balance sheet has been performed and all the items relating to operations, that were not transferred to the purchasers, have been written off against 'Other operating loss'.

The loss on the disposal of operations has been determined by the difference between the sale price and the accounting value of the assets and liabilities transferred as part of the transaction.

Loss on disposal is calculated as:	**£'000**
Consideration received	270
Advance billing transferred	49
Sub-total	319
Prepayments	(9)
Settlement of inter-company with overseas affiliates sold to Capita International Limited	(771)
Net value, after depreciation, of fixed assets transferred	(27)
WIP balances transferred	(23)
Reported loss	**(511)**

6 Employees

Staff costs (including directors) were as follows:

	12 months ended 31 December 2015 £'000	5 months ended 31 December 2014 £'000
Wages and salaries	**1,377**	964
Social security costs	**247**	116
Other pension costs	**69**	31
	1,693	1,120

The average number of employees, during the period was 49 (2014: 60).

7 Directors' remuneration

The Company's Directors during the year are employees of the parent company Work Group plc. All remuneration for Directors is shown in the Work Group plc financial statements in the Directors' remuneration report.

No emoluments for Directors have been recharged to the Company in 2015. No disclosure has been given for the aggregate remuneration of the key management personnel of the company, as their remuneration is included in the total for the group as a whole.

8 Other operating loss and loss on disposal of operations

On 31 December 2015, the Company disposed of its operations, as well as some of its assets and liabilities as part of a sale agreement to Capita Resources Limited. Further to this transaction, the Company no longer has any business activity. A review of the balance sheet has been performed and all the items relating to operations, that were not transferred to the purchasers, have been written off against the exceptional result in 'Other operating loss'.

The loss on the disposal of operations has been determined by the difference between the sale price and the accounting value of the assets and liabilities transferred as part of the transaction.

	Continuing £'000 2015	Discontinued £'000 2015	Total £'000 2015	Continuing £'000 2014	Total £'000 2014
Aborted IT development costs	-	-	-	289	289
Loss on disposal of operations	-	511	511	-	-
Exceptional item:-					
Impairment	-	99	99	-	-
One off costs	-	20	20		
Total	-	630	630	289	289

9 Taxation

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date. The standard rate of corporation tax in the UK for the year was 20.25% (2014: 21.49%), having qualified for the small profits tax rate. The differences are explained below

	2015 £'000	2014 £'000
Current tax	-	-

9 Taxation *(continued)*

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date. The standard rate of corporation tax in the UK for the year was 20.25% (2014: 21.49%), having qualified for the small profits tax rate. The differences are explained below:

	2015 £'000	2014 £'000
Loss before taxation	**(1,217)**	(1,139)
Loss before taxation multiplied by the standard rate of corporation tax in the UK of 20.25% (2014 :21.49%)	**(246)**	(245)
Effects of:		
Expenses not deductible for tax purposes	**24**	18
Losses not utilised	**222**	227
Tax charge	**-**	-

10 Dividends

Due to the unavailability of distributable reserves no dividend is payable (2014: Nil)

11 Tangible assets

	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost			
Transfer from Work Group plc	194	391	585
Additions	-	17	17
At 31 December 2014	194	408	602
Additions	-	3	3
Disposal as part of the business sale	-	(247)	(247)
At 31 December 2015	194	164	358
Accumulated depreciation and impairment			
Transfer from Work Group plc	147	298	445
Charge for the year	8	37	45
At 31 December 2014	155	335	490
Charge for the year	19	46	65
Disposal as part of the business sale	-	(221)	(221)
Impairment for the year	18	4	22
At 31 December 2015	192	164	356
Net book value			
At 31 December 2014	39	73	112
At 31 December 2015	**2**	-	**2**

Assets were sold to Capita Resourcing Ltd as part of the sale agreement dated 31 December 2015. The rest of assets owned by Work Group Resources were impaired as the Company has ceased to trade. In order to maximise cash holdings, the Company has sought to realise value for the remaining assets in 2016.

12 Intangible assets - Software

	£'000
Cost	
At 1 January 2014	-
Transfer from Work Group plc	108
At 31 December 2014	108
At 31 December 2015	**108**
Amortisation and Impairment	
At 1 January 2014	-
Charge for the year	9
At 31 December 2014	9
Charge for the year	22
Impairment for the year	77
At 31 December 2015	**108**
Net book amount	
At 31 December 2014	**99**
At 31 December 2015	**-**

13 Stock

	2015 £'000	2014 £'000
Work in progress	-	98

Debit amounts of work in progress were sold as part of the sale agreement. Credits amounts are presented in creditors, as part of as other payables.

14 Debtors

	2015 £'000	2014 £'000
Trade receivables	-	132
Prepayments and accrued income	-	130
Amounts owing by group undertakings	-	55
Trade and other receivables	-	317

All amounts shown in 2014 under debtors fell due for payment within one year. Business related prepayments and accrued income were sold as part of the sale agreement. The rest were impaired and the expense was presented in other operating costs as an exceptional cost for the year.

15 Cash and cash equivalents

Cash is exclusively cash in bank. At the year end, there was a bank overdraft which is shown in Note 16 under creditors.

16 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Trade payables	**317**	408
Taxation and social security costs	**268**	260
Other payables	**33**	135
Accruals and deferred income	**279**	432
Amounts owed to group undertakings	**1,456**	459
Bank overdraft	**5**	71
Trade and other payables	**2,358**	1,765

All amounts shown under creditors fall due for payment within one year.

17 Share capital

The share is owned by Work Group Plc and was issued on incorporation.

	2015 Number	2014 Number	2015 £	2014 £
Ordinary shares of £1 each	**1**	1	**1**	1

18 Related party transactions

The Company conducted numerous transactions with its parent company, Work Group plc, and sister companies Work Group Inc. in New York and Work Group Limited in Hong Kong.

For the year ended 31 December 2015, recharges relating to operating activities of £560,634 (2014: £10,432) were made to Work Group Inc. in support of clients contracted in the USA and £8,930 to Work Group Ltd (2014: nil) in Hong Kong.

In 2015, as in 2014, the Company relied upon central services supplied by the parent company Work Group plc, these charges amounted to £145,812 (2014: £138,989) for this period. The Company is principally funded through the inter-company account with its parent company, Work Group plc.

Commission on sales for £39,319 (2014: £17,909 for 5 months) was charged to the Company by Work Group plc to recognise the use of contracts initially signed by the parent company before the hive down.

In total, £1,456,156 (2014: £459,011) was owing to Work Group plc at 31 December 2015. Balances with Work Group Inc, and Work Group Ltd, respectively of £25,266 and £29,289 in 2014 were cleared, as a part of the business sale price negotiation, to £nil as at 31 December 2015.

19 Capital commitments

There are no capital commitments in either 2015 or 2014.

20 ESOP shares

The Employee share ownership plan (ESOP) was established in 2013, renewed in 2010 by Work Group plc, the parent Company to provide for the future obligations of the company for shares awarded under the Share Options Scheme. Under the scheme, the trustee, Louvre Trustee Limited, purchased the company's ordinary shares in the market using a loan granted by Work Group plc. At 31 December 2015, this plan expired as part of the sale agreement to Capita and the TUPE of Work Group resources employees.

21 Ultimate parent company

At 31 December 2015 the Company's ultimate parent company was Work Group plc.

Copies of the consolidated financial statements of Work Group Plc are available from Companies House.

22 Post balance sheet events

Following the sale of business on 31 December 2015, the management has been receiving sums due at completion and paying off the remaining creditors with a view to the Company becoming a dormant company during 2016.

23 FRS 102 first time adoption

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have no impact on equity or profit or loss.

24 Financial instruments

	2015 £'000s
Financial assets	
Financial assets that are debt instruments measured at amortised cost	-
Financial liabilities	
Financial liabilities measured at amortised cost	**1,811**

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other payables and bank overdrafts.