Topstaff Employment Limited

Report and Financial Statements

7 Month Period Ended

31 December 2016

Company Number SC047752

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Topstaff Employment Limited

Company Information

Directors	Mrs J Downie Mrs K McBride
Registered number	SC047752
Registered office	Seaforth House Seaforth Road North Glasgow G52 4JQ
Independent auditor	PricewaterhouseCoopers LLP The Capitol 431 Union Street Aberdeen AB11 6DA
Bankers	Barclays Bank plc 120 Bothwell Street Glasgow G2 7JT
Solicitors	Harper Macleod LLP The Ca'd'oro 45 Gordon Street Glasgow G1 3PE

Topstaff Employment Limited

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Topstaff Employment Limited

Directors' Report
For the 7 Month Period Ended 31 December 2016

The directors present their report and the financial statements to the 7 month period ended 31 December 2016.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial 7 month period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

Principal activity

The principal activity of the company was the provision of recruitment services.

Directors

The directors who served during the year and to the date of signing this report were:

Mrs J Downie
Mrs K McBride

Disclosure of information to auditor

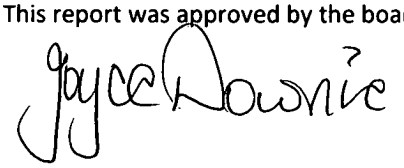
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that 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.

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 on 23 August 2017 and signed on its behalf.



Mrs J Downie
Director

Independent auditors' report to the members of Topstaff Employment Limited

Report on the financial statements

Our opinion

In our opinion, Topstaff Employment Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the 7 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Statement of Income and Retained Earnings for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law (United Kingdom Generally Accepted Accounting Practice), applicable to Smaller Entities.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' responsibilities statement set out 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.

Kevin Reynard (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Aberdeen
23 August 2017

Topstaff Employment Limited

Statement of Income and Retained Earnings
For the 7 Month Period Ended 31 December 2016

	Note	7 Months Ended 31.12.2016	12 Months Ended 31.05.2016
		£	£
Turnover		**1,804,130**	2,971,362
Cost of sales		**(1,553,380)**	(2,449,281)
Gross Profit		**250,750**	522,081
Administrative expenses		**(264,219)**	(413,770)
Other operating income		**8**	454
Operating (loss) / profit	4	**(13,461)**	108,765
Interest receivable and similar income		**173**	653
Interest payable and expenses		**-**	(11,913)
(Loss)/Profit before tax		**(13,288)**	97,505
Tax on profit	8	**2,637**	(19,667)
(Loss)/Profit after tax		**(10,651)**	77,838
Retained earnings at the beginning of the period/year		**350,542**	512,670
(Loss) / Profit for the period/year		**(10,651)**	77,838
Dividends declared and paid	7	**-**	(239,966)
Retained earnings at the end of the period/year		**339,891**	350,542

The above results relate to continuing operations.

Topstaff Employment Limited

Balance Sheet

As at 31 December 2016

	Note	£	31.12.2016 £	£	31.05.2016 £
Fixed assets					
Tangible assets	9		-		7,248
			-		7,248
Current assets					
Debtors: amounts falling due within one year	10	**1,045,984**		1,095,958	
Cash at bank and in hand		**20,735**		22,480	
		1,066,719		1,118,438	
Creditors: amounts falling due within one year	11	**(725,828)**		(774,144)	
Net current assets			**340,891**		344,294
Total assets less current liabilities			**340,891**		351,542
Net assets			**340,891**		351,542
Capital and reserves					
Called up share capital	12		**1,000**		1,000
Profit and loss account			**339,891**		350,542
			340,891		351,542

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 7 to 15 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 August 2017.

Mrs J Downie
Director

1. General information

Topstaff Employment Limited is a private company limited by shares incorporated in Scotland under the Companies Act. The address of the registered office and the company's registered number are given on the Company information page. The nature of the company's operations and principal activities are set out in the Directors' Report

The following principal accounting policies have been applied:

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 the Financial Reporting Standard FRS 102 Section 1A Small Entities, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

No level of rounding has been applied to these financial statements, which cover the individual entity. The company's functional and presentational currency is GBP.

The preparation of financial statements in compliance with FRS 102 Section 1A requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

Going Concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that support will be provided by the parent company to support working capital requirements in the next twelve months if necessary and therefore continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

The following principal accounting policies have been applied:

2.2 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.

2. Accounting policies (continued)

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replacement part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 33% straight line
Fixtures and fittings	- 33% straight line
Office equipment	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Income and Retained Earnings.

2.4 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight-line basis over the period of the lease.

2.5 Cash and cash equivalent

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The company's cash at bank and in hand and trade and other debtors and its trade and other creditors are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

2. Accounting policies (continued)

2.7 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.

2.8 Pensions

Defined contribution pension plan

The company operates in a group defined contribution plan. 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 payments obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised 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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

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

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of these assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technical innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider such issues as future market conditions, the remaining life of the asset and projected disposal values.

Bad debt provision

Bad debts are provided against where objective evidence of impairment exists.

4. Operating (Loss)/Profit

The operating (loss)/profit is stated after charging:

	7 Months Ended 31.12.2016	12 Months Ended 31.05.2016
	£	£
Operating Leases	**14,820**	23,780
Auditor's remuneration - audit of these financial statements	**6,600**	7,855

5. Employees

The average number of employees during the year was 4 (2016 – 6).

Staff costs, including directors' remuneration, were as follows:

	7 Months Ended 31.12.2016	12 Months Ended 31.05.2016
	£	£
Wages and salaries	**57,550**	103,173
Social security costs	**5,350**	9,424
Cost of defined contribution scheme (note 14)	**687**	9,576
	63,587	122,173

6. Directors' remuneration

	7 Months Ended 31.12.2016	12 Months Ended 31.05.2016
	£	£
Directors' emoluments	-	37,512
	-	37,512

There were two directors in the group's defined contribution pension scheme during the year (2016 – 2).

The emoluments of one director was paid by The Clyde Group Limited. The emoluments of the other director was paid by Clyde Healthcare Limited.

7. Dividends

	7 Months Ended 31.12.2016	12 Months Ended 31.05.2016
	£	£
Interim paid of £Nil (Year ended 31.05.2016 - £239.97) per share	-	239,966
	-	239,966

8. Taxation

	7 Months Ended 31.12.2016	12 Months Ended 31.05.2016
	£	£
Corporation tax		
Current tax on profits for the year	**(1,305)**	24,440
Adjustments in respect of previous periods	-	(3,522)
Total current tax	**(1,305)**	20,918
Deferred tax		
Origination and reversal of timing differences	**(1,332)**	(1,375)
Adjustment in respect of previous periods	-	124
Total deferred tax	**(1,332)**	(1,251)
Taxation on profit on ordinary activities	**(2,637)**	19,667

8 Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 – higher than) the standard rate of corporation tax in the UK of 20% (2015 – 20.83%). The differences are explained below:

	7 Months Ended 31.12.2016 £	12 Months Ended 31.05.2016 £
(Loss)/Profit on ordinary activities before tax	**(13,288)**	97,505
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 – 20%)	**(2,658)**	19,501
Effects of:		
Expenses not deductible for tax purposes	**1,353**	3,492
Adjustments to tax charge in respect of prior periods	-	(3,522)
Adjustments in respect of prior periods – deferred tax	**(1,332)**	76
Other differences	-	120
Total tax charge for the year	**(2,637)**	19,667

9. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 June 2016 and 31 December 2016	32,318	24,612	40,632	97,562
Depreciation				
At 1 June 2016	27,085	24,612	38,617	90,314
Charge for the period	5,233	-	2,015	7,248
At 31 December 2016	32,318	24,612	40,632	97,562
Net Book Value				
At 31 December 2016	-	-	-	-
At 31 May 2016	**5,233**	-	**2,015**	**7,248**

10. Debtors

	7 Months Ended 31.12.2016	12 Months Ended 31.05.2016
	£	£
Trade debtors	**437,988**	437,809
Amounts owed by group undertakings	**564,350**	561,043
Prepayment and accrued income	**40,038**	94,830
Deferred taxation	**3,608**	2,276
	1,045,984	1,095,958

11. Creditors: Amounts falling due within one year

	7 Months Ended 31.12.2016	12 Months Ended 31.05.2016
	£	£
Trade creditors	**4,059**	6,690
Amounts owed to group undertakings	**378,331**	472,088
Corporation tax	**3,552**	21,998
Taxation and social security	**222,806**	196,158
Other creditors	**117,080**	77,210
	725,828	774,144

12. Share capital

	7 Months Ended 31.12.2016	12 Months Ended 31.05.2016
	£	£
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	**1,000**	1,000

Ordinary shares rank parri passu for participation in profits and assets. Each ordinary share is entitled to one vote on all matters upon which the ordinary shares are entitled to vote.

13. Pension commitments

The company participates in the group defined contribution pension scheme. The assets of the schemes are held separately from those of the group in an independently administered fund. The pension charge amounted to £687 (year ended 31.05.2016 - £9,576). Contributions amounting to £7,748 (year ended 31.05.2016 – £7,649) for both employees and temporary workers were payable at the balance sheet date.

14. Deferred taxation

	Deferred tax £
At 1 June 2016	**2,276**
Credited to the profit or loss	**1,332**
At 31 December 2016	**3,608**

The deferred taxation balance is made up as follows:

	7 Months Ended 31.12.2016 £	12 Months Ended 31.05.2016 £
Accelerated capital allowances	**3,608**	2,232
Sundry timing differences	**-**	44
	3,608	2,276

15. Commitments under operating lease

At 31 December 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	7 Months Ended 31.12.2016 £	12 Months Ended 31.05.2016 £
Not later than 1 year	**21,432**	20,735
Later than 1 year and not later than 5 years	**55,570**	56,270
Total	**77,002**	77,005

16. Related party transactions

The company is a wholly owned subsidiary and has taken advantage of the exemption conferred by FRS102 section 1A not to disclose transactions with Stena Aktiebolag or other wholly owned subsidiaries within the group.

17. Ultimate parent company and parent undertaking of larger group

The company is a wholly owned subsidiary of Northern Marine Group Limited, which is incorporated in Great Britain and registered in Scotland. The ultimate parent company and controlling party is Stena Aktiebolag, a company incorporated in Sweden.

The smallest and largest group in which the results of the company are consolidated is that headed by Stena AB. No other group accounts include the Results of this company. The consolidated financial statements of Stena AB are available at Masthuggskajen, S405 19 Gothenburg, Sweden.