Topstaff Employment Limited

Directors' Report and Financial Statements

Year Ended

31 December 2017

Company Number SC047752

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Topstaff Employment Limited

Company Information

Directors	Mrs K McBride Mr P F Fee
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

Contents

	Page
Directors' Report	1 – 2
Independent Auditors' Report	3 – 4
Statement of Income and Retained Earnings	5
Balance Sheet	6
Notes to the Financial Statements	7 - 14

Topstaff Employment Limited

Directors' Report
For the Year Ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

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 – Resigned 29.12.17
Mrs K McBride
Mr P F Fee – Appointed 16.02.18

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 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.

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.

Directors' Report
For the Year Ended 31 December 2017

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 26 July 2018 and signed on its behalf.



Mr P F Fee
Director

Independent auditors' report to the members of Topstaff Employment Limited

Report on the audit of the financial statements

Opinion

In our opinion, Topstaff Employment Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared 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); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: The Balance Sheet; The Statement of Income and Retained Earnings; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

Independent auditors' report to the members of Topstaff Employment Limited (continued)

Reporting on other information (continued)

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

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.

Kevin Reynard (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Aberdeen
26 July 2018

Topstaff Employment Limited

Statement of Income and Retained Earnings
For the Year Ended 31 December 2017

	Note	Year Ended 31.12.2017	7 Months Ended 31.12.2016
		£	£
Turnover		**2,627,920**	1,804,130
Cost of sales		**(2,167,248)**	(1,553,380)
Gross Profit		**460,672**	250,750
Administrative expenses		**(555,890)**	(264,219)
Other operating income		**-**	8
Operating (loss)	4	**(95,218)**	(13,461)
Interest receivable and similar income		**197**	173
(Loss)/ before tax		**(95,021)**	(13,288)
Tax on loss	8	**3,802**	2,637
(Loss) after tax		**(91,219)**	(10,651)
Retained earnings at the beginning of the year /period		**339,891**	350,542
(Loss) for the year/period		**(91,219)**	(10,651)
Retained earnings at the end of the year/period		**248,672**	339,891

The above results relate to continuing operations.

Topstaff Employment Limited

Balance Sheet

As at 31 December 2017

	Note	£	31.12.2017 £	£	31.12.2016 £
Current assets					
Debtors: amounts falling due within one year	9	**440,873**		1,045,984	
Cash at bank and in hand		**88,312**		20,735	
		529,185		1,066,719	
Creditors: amounts falling due within one year	10	**(279,513)**		(725,828)	
Net current assets			**249,672**		340,891
Net assets			**249,672**		340,891
Capital and reserves					
Called up share capital	11		**1,000**		1,000
Profit and loss account			**248,672**		339,891
			249,672		340,891

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 14 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 26 July 2018.



Mr P F Fee
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.

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 consistently in both the current and prior year.

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 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.

2.4 Cash and cash equivalents

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.

2.5 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.

2.6 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.

2.7 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. Accounting policies (continued)

2.8 Current and deferred taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the Balance sheet date that are expected to apply to the reversal of the timing difference.

The tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

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

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

Bad debt provision

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

4. Operating (Loss)

The operating (loss) is stated after charging:

	Year Ended 31.12.2017	7 Months Ended 31.12.2016
	£	£
Operating leases	**20,883**	14,820
Auditor's remuneration - audit of these financial statements	**5,940**	6,600

5. Employees

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

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

	Year Ended 31.12.2017	7 Months Ended 31.12.2016
	£	£
Wages and salaries	**163,804**	57,550
Social security costs	**16,536**	5,350
Cost of defined contribution scheme (note 12)	**1,498**	687
	181,838	63,587

6. Directors' remuneration

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

	Year Ended 31.12.2017	7 Months Ended 31.12.2016
	£	£
Interim paid of £Nil (Year ended 31.05.2016 - £239.97) per share	-	-
	-	-

8. Taxation

	Year Ended 31.12.2017 £	7 Months Ended 31.12.2016 £
Corporation tax		
Current tax on profits for the year	**(16,283)**	(1,305)
Adjustment in respect of prior periods	**8,873**	-
Total current tax	**(7,401)**	(1,305)
Deferred tax		
Origination and reversal of timing differences	**-**	(1,332)
Adjustment in respect of previous periods	**3,608**	-
Total deferred tax	**3,608**	(1,332)
Taxation on profit on ordinary activities	**(3,802)**	(2,637)

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 19.25% (2015 – 20.83%). The differences are explained below:

	Year Ended 31.12.2017 £	7 Months Ended 31.12.2016 £
(Loss on ordinary activities before tax	**(95,021)**	(13,288)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.2520% (2016 – 20%)	**(18,292)**	(2,658)
Effects of:		
Expenses not deductible for tax purposes	**2,009**	1,353
Adjustments in respect of prior periods – deferred tax	**-**	(1,332)
Other timing differences	**12,481**	-
Total tax credit for the year/period	**(3,802)**	(2,637)

9. Debtors: Amounts falling due within one year

	Year Ended 31.12.2017	7 Months Ended 31.12.2016
	£	£
Trade debtors	**407,548**	437,988
Amounts owed by group undertakings	**1,288**	564,350
Prepayment and accrued income	**28,160**	40,038
Corporation tax	**3,877**	-
Deferred taxation	-	3,608
	440,873	1,045,984

10. Creditors: Amounts falling due within one year

	Year Ended 31.12.2017	7 Months Ended 31.12.2016
	£	£
Trade creditors	**1,080**	4,059
Amounts owed to group undertakings	**3,202**	378,331
Corporation tax	-	3,552
Taxation and social security	**154,769**	222,806
Other creditors	**120,462**	117,080
	279,513	725,828

11. Share capital

	Year Ended 31.12.2017	7 Months Ended 31.12.2016
	£	£
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.

12. 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 £1,498 (7 month period ended 31.12.2016 - £687). Contributions amounting to £8,384 (year ended 31.12.2017 – £7,748) for both employees and temporary workers were payable at the balance sheet date.

13. Deferred taxation

	Deferred tax £
At 1 January 2017	**3,608**
Credited to the profit or loss	**(3,608)**
At 31 December 2017	**-**

The deferred taxation balance is made up as follows:

	Year Ended 31.12.2017	7 Months Ended 31.12.2016
	£	£
Accelerated capital allowances	**-**	3,608
	-	3,608

14. Commitments under operating lease

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	Year Ended 31.12.2017	7 Months Ended 31.12.2016
	£	£
Not later than 1 year	**7,523**	21,432
Later than 1 year and not later than 5 years	**14,419**	55,570
Total	**21,942**	77,002

15. Related party transactions

The company is a wholly owned subsidiary of Northern Marine Group Limited and has taken advantage of the exemption conferred by FRS 102 Section 1A not to disclose transactions with Stena AB or other wholly owned subsidiaries within the group.

16. 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. The consolidated financial statements of Stena AB are available at Masthuggskajen, S405 19 Gothenburg, Sweden.