

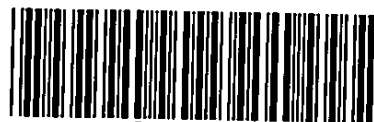
**BARKER ROSS STAFFING SOLUTIONS LIMITED
(FORMERLY BARKER ROSS LIMITED)**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

Company Registration Number 02234535

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**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

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**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

OFFICERS AND PROFESSIONAL ADVISERS

YEAR ENDED 30 JUNE 2010

The board of directors	J Rowley T Sutcliffe E C Tillotson P A Ross
Registered office	24 De Montfort Street Leicester LE1 7GB
Auditor	RSM Tenon Audit Limited 1 Bede Island Road Bede Island Business Park Leicester LE2 7EA
Accountants	RSM Tenon Limited 1 Bede Island Road Bede Island Business Park Leicester LE2 7EA
Bankers	HSBC 2-6 Gallowtree Gate Leicester LE1 1DA
Solicitors	Harvey Ingram LLP 20 New Walk Leicester LE1 6TX

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

**THE DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2010**

The directors present their report and the financial statements of the company for the year ended 30 June 2010

Principal activities and business review

The principal activity of the company are those of a recruitment business and recruitment agency, providing temporary and permanent labour for the construction, industrial and office sectors

The economic conditions that prevailed during the year continued to be challenging across the industry and broader economy as a whole. The directors responded by focussing their efforts on customer service, the maintenance of sales and marketing initiatives and careful cost control, with the result that profitability was improved against the previous year

The ever-changing legislative framework in which the company operates presents an exposure to third party liabilities for failing to adhere to the relevant statutes. The group manages this risk by keeping up to date on all changes to the law and ensuring internal procedures are amended in good time, backed up by rigorous internal audit to ensure that high standard and the company's professional reputation are maintained

The company's largest customer accounted for 11% of its turnover and so the company is not overly reliant on a small number of high value customers

Subsequent to the year end the company changed its name to Barker Ross Staffing Solutions Limited, and assumed responsibility for the delivery of the group's industrial activities. This occurred as part of a broader group reorganisation undertaken to focus management teams and activities on core specialist sectors

As a consequence of this and the reorganisation referred to above, together with the recent investment in new premises across the group, the directors are confident of future prospects

Results and dividends

The profit for the year, after taxation, amounted to £58,593. Particulars of dividends paid are detailed in note 9 to the financial statements

Financial risk management objectives and policies

The company makes little use of financial instruments other than operational bank accounts, so its exposure to price risk, credit risk, liquidity risk and cash flow risk, is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company

Directors

The directors who served the company during the year were as follows

J Rowley
R Appleton
T Sutcliffe
E C Tillotson
P J Brundell
P A Ross

P J Brundell resigned as a director on 16 December 2010 and R Appleton resigned as a director on 24 January 2011

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2010

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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. 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.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

RSM Tenon Audit Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006

Signed on behalf of the directors



**P A Ross
Director**

25 March 2011

RSM! Tenon INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BARKER ROSS STAFFING SOLUTIONS LIMITED
(FORMERLY BARKER ROSS LIMITED)

YEAR ENDED 30 JUNE 2010

We have audited the financial statements of Barker Ross Staffing Solutions Limited (Formerly Barker Ross Limited) for the year ended 30 June 2010 on pages 6 to 16. 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).

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 set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 directors, and the overall presentation of the financial statements.

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 2010 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

RSM Tenon INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BARKER ROSS STAFFING SOLUTIONS LIMITED
(FORMERLY BARKER ROSS LIMITED) *(continued)*

YEAR ENDED 30 JUNE 2010

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



Christopher Darlington, Senior Statutory Auditor
For and on behalf of

RSM Tenon Audit Limited
Statutory Auditor
1 Bede Island Road
Bede Island Business Park
Leicester
LE2 7EA

25 March 2011

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2010

	Note	2010 £	2009 £
Turnover	2	18,024,381	18,031,106
Cost of sales		(15,774,241)	(15,148,747)
Gross profit		<u>2,250,140</u>	<u>2,882,359</u>
Administrative expenses		(2,328,417)	(2,805,865)
Other operating income	3	159,050	-
Operating profit	4	<u>80,773</u>	<u>76,494</u>
Interest receivable		134	3,231
Interest payable and similar charges	7	(529)	(19,067)
Profit on ordinary activities before taxation		<u>80,378</u>	<u>60,658</u>
Tax on profit on ordinary activities	8	(21,785)	(15,385)
Profit for the financial year		<u>58,593</u>	<u>45,273</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 8 to 16 form part of these financial statements

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

Registered Number 02234535

BALANCE SHEET

30 JUNE 2010

	Note	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	10		246,796		264,157
Investments	11		64,000		64,000
			<u>310,796</u>		<u>328,157</u>
Current assets					
Debtors	12	3,158,033		1,943,446	
Cash at bank and in hand		3,954		263,258	
			<u>3,161,987</u>	<u>2,206,704</u>	
Creditors: amounts falling due within one year	13	<u>(2,574,102)</u>		<u>(1,664,073)</u>	
Net current assets			587,885		542,631
Net assets			<u>898,681</u>		<u>870,788</u>
Capital and reserves					
Called-up share capital	16		25,000		25,000
Profit and loss account	17		873,681		845,788
Shareholders' funds	18		<u>898,681</u>		<u>870,788</u>

These financial statements were approved by the directors and authorised for issue on 25 March 2011, and are signed on their behalf by


P A Ross
Director

The notes on pages 8 to 16 form part of these financial statements

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA which has published consolidated accounts and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is a wholly owned subsidiary and its parent publishes a consolidated cash flow statement

Turnover

The turnover shown in the profit and loss account represents the value of services delivered during the year, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition

Fixed asset investments

Investments held as fixed assets are stated at cost less provision for impairment

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

Fixtures & Fittings	- 25% straight line and reducing balance
Motor Vehicles	- 25% reducing balance

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities recognised have not been discounted.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Employee benefit trust

The company established a trust for the benefit of employees, former employees and certain of their dependents. The trust is a qualifying employee benefit trust in the UK and monies held in the trust are held by independent trustees and managed at their discretion.

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date of an allocation of the trust's funds to employees in respect of past services is declared and the date that the assets of the trust vest in identified individuals.

Where monies held in the trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued by the company, are charged to the profit and loss account in the period to which they relate.

2. Turnover

All turnover relates to the company's principal activity and arose wholly within the United Kingdom.

3. Other operating income

	2010 £	2009 £
Referral income	159,050	—

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

4 Operating profit

Operating profit is stated after charging

	2010	2009
	£	£
Depreciation of owned fixed assets	91,056	106,052
Loss on disposal of fixed assets	6,043	5,687
Auditors remuneration	9,590	9,250
Operating lease costs		
-Land and buildings	<u>119,209</u>	<u>121,209</u>

5. Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2010	2009
	No	No
Sales staff	41	45
Management and administration	19	23
	<u>60</u>	<u>68</u>

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	1,279,088	1,585,866
Social security costs	126,269	151,128
Other pension costs	22,262	19,124
	<u>1,427,619</u>	<u>1,756,118</u>

6 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2010	2009
	£	£
Remuneration receivable	365,148	331,923
Value of company pension contributions to money purchase schemes	14,819	11,823
	<u>379,967</u>	<u>343,746</u>

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

6. Directors' remuneration (continued)

Remuneration of highest paid director:

	2010	2009
	£	£
Total remuneration (excluding pension contributions)	98,970	76,914
Value of company pension contributions to money purchase schemes	6,000	6,000
	<u>104,970</u>	<u>82,914</u>

The number of directors on whose behalf the company made pension contributions was as follows

	2010	2009
	No	No
Money purchase schemes	<u>6</u>	<u>5</u>

7. Interest payable and similar charges

	2010	2009
	£	£
Finance charges	-	38
Other similar charges payable	529	19,029
	<u>529</u>	<u>19,067</u>

8 Taxation on ordinary activities

(a) Analysis of charge in the year

	2010	2009
	£	£
In respect of the year		
UK Corporation tax	20,000	16,541
Deferred tax		
Origination and reversal of timing differences	1,785	(1,156)
Tax on profit on ordinary activities	<u>21,785</u>	<u>15,385</u>

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

8. Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2009 - 21%)

	2010	2009
	£	£
Profit on ordinary activities before taxation	<u>80,378</u>	<u>60,658</u>
Profit on ordinary activities by rate of tax	16,879	12,738
Effects of		
Expenses not deductible for tax purposes	4,611	2,645
Capital allowances for period in excess of depreciation	(3,368)	2,043
Qualifying loss on disposal	1,269	-
Other timing differences	609	(885)
Total current tax (note 8(a))	<u>20,000</u>	<u>16,541</u>

9. Dividends

Equity dividends

	2010	2009
	£	£
Paid during the year		
Equity dividends on ordinary shares	<u>30,700</u>	<u>81,000</u>

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

10 Tangible fixed assets

	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost			
At 1 July 2009	257,761	237,772	495,533
Additions	74,608	23,850	98,458
Disposals	(169)	(46,390)	(46,559)
At 30 June 2010	<u>332,200</u>	<u>215,232</u>	<u>547,432</u>
Depreciation			
At 1 July 2009	121,271	110,105	231,376
Charge for the year	60,144	30,912	91,056
On disposals	(49)	(21,747)	(21,796)
At 30 June 2010	<u>181,366</u>	<u>119,270</u>	<u>300,636</u>
Net book value			
At 30 June 2010	<u>150,834</u>	<u>95,962</u>	<u>246,796</u>
At 30 June 2009	<u>136,490</u>	<u>127,667</u>	<u>264,157</u>

11 Investments

	Total £
Cost	
At 1 July 2009 and 30 June 2010	<u>64,000</u>
Net book value	
At 30 June 2010 and 30 June 2009	<u>64,000</u>

The above investment represents the cost of acquiring a minority shareholding in Barker Ross Holdings Limited, the ultimate parent undertaking. The shares are held by a qualifying employee benefit trust in the UK, for the benefit of the company's employees.

12. Debtors

	2010 £	2009 £
Trade debtors	2,660,512	1,438,783
Other debtors	59,644	63,331
Prepayments and accrued income	437,877	439,547
Deferred taxation (note 14)	—	1,785
	<u>3,158,033</u>	<u>1,943,446</u>

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

13 Creditors: amounts falling due within one year

	2010 £	2009 £
Overdrafts	46,526	-
Trade creditors	97,438	87,519
Amounts owed to group undertakings	430,432	430,432
Corporation tax	20,000	16,541
PAYE and social security	730,063	601,398
Other creditors	-	4,968
Accruals and deferred income	1,249,643	523,215
	<u>2,574,102</u>	<u>1,664,073</u>

Included within overdrafts is an amount of £32,869 which represents an invoice discounting facility secured on the trade debtors of the company

14 Deferred taxation

The deferred tax included in the Balance sheet is as follows

	2010 £	2009 £
Included in debtors (note 12)	-	(1,785)
	<u>-</u>	<u>(1,785)</u>

The movement in the deferred taxation account during the year was

	2010 £	2009 £
At 1 July 2009	(1,785)	(629)
Profit and loss account movement arising during the year	1,785	(1,156)
At 30 June 2010	<u>-</u>	<u>(1,785)</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2010 £	2009 £
Excess of taxation allowances over depreciation on fixed assets	-	(1,785)
	<u>-</u>	<u>(1,785)</u>

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

15 Commitments under operating leases

At 30 June 2010 the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 2010 £	<i>Land and buildings 2009 £</i>
Operating leases which expire		
Within 1 year	500	-
Within 2 to 5 years	68,051	62,105
After more than 5 years	-	42,500
	<u>68,551</u>	<u>104,605</u>

16. Share capital

Authorised share capital:

	2010 £	<i>2009 £</i>
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2010 No	£	<i>2009 No</i>	<i>£</i>
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

17. Profit and loss account

	2010 £	<i>2009 £</i>
Balance brought forward	845,788	881,515
Profit for the financial year	58,593	45,273
Equity dividends	(30,700)	(81,000)
Balance carried forward	<u>873,681</u>	<u>845,788</u>

18 Reconciliation of movements in shareholders' funds

	2010 £	<i>2009 £</i>
Profit for the financial year	58,593	45,273
Equity dividends	(30,700)	(81,000)
Net addition/(reduction) to shareholders' funds	27,893	(35,727)
Opening shareholders' funds	870,788	906,515
Closing shareholders' funds	<u>898,681</u>	<u>870,788</u>

**BARKER ROSS STAFFING SOLUTIONS LIMITED (FORMERLY
BARKER ROSS LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2010

19. Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related Party Disclosures" not to disclose transactions with other group entities who's voting rights are 100% controlled within the group, as the consolidated financial statements of the group are publicly available and may be obtained from the Registrar of Companies

At the year end the company was due £6,210 (2009 owed £1,711) from P A Ross and this is included within other debtors. The maximum amount owed by P A Ross during the year was £6,210 (2009 £55,926)

20. Ultimate parent company

The ultimate parent company is Barker Ross Recruitment Limited (formerly Barker Ross Holdings Limited), a company incorporated in England and Wales. Barker Ross Recruitment Limited is the largest group undertaking to consolidate these accounts within its own accounts

21. Controlling party

The company's ultimate controlling party is P A Ross by virtue of his controlling interest in the company's ultimate parent company