

**PROFESSIONAL STAFF LIMITED**

**Report and Financial Statements**

**31 March 2007**

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**REPORT AND FINANCIAL STATEMENTS 2007**

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**OFFICERS & PROFESSIONAL ADVISERS**

**DIRECTORS**

B P Blackden  
R J Bradford  
J W Coates  
S A Harris  
D I Pennington

**SECRETARY**

D I Pennington

**REGISTERED OFFICE**

Buckland House  
Waterside Drive  
Langley Business Park  
Slough  
Berkshire  
SL3 6EZ

**AUDITORS**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RH

## **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the year ended 31 March 2007

### **REVIEW OF THE BUSINESS AND PERFORMANCE IN THE YEAR**

The company's principal activity is that of an investment holding company

The company recorded a profit after taxation of £2,841,000 (2006 £1,165,000) which has been transferred to reserves. No dividend was paid or proposed in the year (2006 nil)

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risk and uncertainties of Carlisle Group Limited (note 14), which include those of the company, are discussed in the group's annual report which does not form part of this report.

Given the nature of the business, the company's directors are of the opinion that analyses using key performance indicators are not necessary for an understanding of the development, performance or position of the business.

### **DIRECTORS AND THEIR INTERESTS**

The directors who served during the year were

B P Blackden  
R J Bradford  
J W Coates  
S A Harris  
D I Pennington

None of the directors had any interest in the share capital of the company as defined by the Companies Act 1985 at any time during the year.

Under Statutory Instrument No 802 made under the authority of section 324(3) of the Companies Act 1985, the directors' interests in the share capital of the ultimate parent undertaking need not be disclosed.

## DIRECTORS' REPORT

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### DIRECTORS' DECLARATION IN RELATION TO RELEVANT AUDIT INFORMATION

Each of the directors confirm that, to the best of their knowledge and belief, (a) there is no relevant audit information of which the company's auditors are unaware, and (b) they have taken all steps that might reasonably be expected to have taken in order to make themselves aware of relevant audit information and to establish that the company's auditors are aware of that information.

### AUDITORS

The company has passed a resolution dispensing with the obligation to appoint auditors annually, as permitted by section 386 of the Companies Act 1985. The auditors, PricewaterhouseCoopers LLP, have expressed their willingness to continue in office.

Approved by the Board of Directors and signed on behalf of the Board



J.W. Coates  
Director

25 January 2008

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROFESSIONAL STAFF LIMITED**

We have audited the financial statements of Professional Staff Limited for the year ended 31 March 2007 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set therein.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including this opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the report of the directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROFESSIONAL STAFF  
LIMITED (continued)**

**Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements



**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
London

25 January 2008

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 March 2007**

	Note	2007 £'000	2006 £'000
Administrative expenses		-	(167)
<b>OPERATING LOSS</b>	3	-	(167)
Profit on disposal of subsidiary undertaking	7	1,275	-
Dividend received from subsidiary undertaking		1,500	1,200
Interest receivable and similar income	4	73	50
Interest payable and similar charges	5	-	(23)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		2,848	1,060
Tax on profit on ordinary activities	6	(7)	105
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	12	2,841	1,165

All amounts derive from continuing operations

There were no recognised gains or losses in either the current or preceding financial year other than as stated above  
Accordingly, a statement of total recognised gains and losses has not been presented

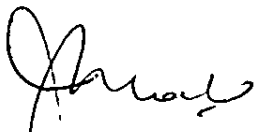


# PROFESSIONAL STAFF LIMITED

## BALANCE SHEET 31 March 2007

	Note	2007 £'000	2006 £'000
<b>FIXED ASSETS</b>			
Investments	7	2,175	2,175
<b>CURRENT ASSETS</b>			
Debtors	8	7,295	6,970
<b>CREDITORS: amounts falling due within one year</b>	9	(322)	(2,838)
<b>NET CURRENT ASSETS</b>		6,973	4,132
<b>NET ASSETS</b>		9,148	6,307
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	177	177
Share premium account	12	22,814	22,814
Capital redemption reserve	12	16	16
Profit and loss account – (deficit)	12	(13,859)	(16,700)
<b>EQUITY SHAREHOLDERS' FUNDS</b>	11	9,148	6,307

The financial statements on pages 6 to 14 were approved by the Board of Directors on 25 January 2008  
Signed on behalf of the Board of Directors

  
J W Coates  
Director

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2007

### 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and the provisions of the Companies Act 1985. Group accounts have not been prepared as the company is exempt by virtue of section 228 of the Companies Act 1985. These accounts therefore present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company (see note 14).

The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements are prepared on the going concern basis under the historical cost convention.

#### Deferred taxation

Deferred taxation 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.

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

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it is more likely than not that there will be adequate future taxable profits against which to recover carried forward tax losses.

#### Investments

Fixed asset investments are stated at cost less provisions for any permanent diminution in value.

#### Cash flow statement

In accordance with FRS 1 (Revised), the company has not prepared a statement of cash flows for the current year as it was a wholly owned subsidiary of Carlisle Group Limited, which publishes consolidated financial statements which include a consolidated cash flow statement.

#### Foreign exchange

Transactions denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Sterling at the rates of exchange ruling at that date. Any differences are dealt with in the profit and loss account.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2007**

**2 INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	<b>2007</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>
<b>Directors' emoluments</b>		
Emoluments (excluding pension contributions)		
Salary, bonus and benefits in kind	-	60
	<u>-</u>	<u>60</u>
	<u>-</u>	<u>60</u>
<b>Highest paid director's remuneration</b>		
Emoluments	-	60
	<u>-</u>	<u>60</u>
<b>Employee costs (excluding directors)</b>		
Wages and salaries	-	6
Social security costs	-	1
	<u>-</u>	<u>1</u>
	<u>-</u>	<u>7</u>
<b>Average number of persons employed (excluding directors)</b>	<b>No.</b>	<b>No.</b>
Management and support	-	-
	<u>-</u>	<u>-</u>

**3. OPERATING LOSS**

	<b>2007</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>
Operating loss is after charging		
Auditors' remuneration		
Audit fees	-	28
	<u>-</u>	<u>28</u>

The audit fees for the current year have been borne by Science Recruitment Group Limited

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2007**

**4. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>2007</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>
Bank interest	-	4
Interest on loans to group undertakings	73	46
	<u>73</u>	<u>50</u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2007</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>
Interest on short term loans	-	1
Interest on loans from group undertakings	-	22
	<u>-</u>	<u>23</u>

**6. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>2007</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>
Group relief (payable) receivable	(7)	37
Adjustment in respect of prior years	-	68
	<u>(7)</u>	<u>105</u>

The tax credit for the year varies from the standard rate of corporation tax in the UK of 30%. The differences are explained below

	<b>2007</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities before taxation	2,848	1,060
Tax on profit on ordinary activities before taxation at standard rate	(854)	(318)
Effects of		
Income not chargeable – income from shares in group undertakings	450	360
Income not chargeable – capital gains	382	-
Expenses not deductible – other	-	(5)
Other timing differences	15	-
Adjustment in respect of prior years	-	68
Tax (charge) credit for the year	<u>(7)</u>	<u>105</u>

There are no provided or unprovided deferred taxation liabilities at the balance sheet date (2006 nil)

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2007**

**7. FIXED ASSET INVESTMENTS**

<b>Investment in subsidiary undertakings</b>	<b>Loans £'000</b>	<b>Shares £'000</b>	<b>Total £'000</b>
Cost at 1 April 2006	1,323	47,129	48,452
Disposals	-	(2,837)	(2,837)
Other movements	-	(7,960)	(7,960)
At 31 March 2007	1,323	36,332	37,655
Provision at 1 April 2006	758	45,519	46,277
Disposals	-	(2,837)	(2,837)
Other movements	-	(7,960)	(7,960)
At 31 March 2007	758	34,722	35,480
Net book values			
At 31 March 2007	565	1,610	2,175
At 31 March 2006	565	1,610	2,175

**Information on subsidiary undertakings**

<b>Subsidiary company</b>	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Proportion of ordinary shares &amp; voting rights</b>
Professional Staff Holdings LLC	United States of America	Investment holding company	100%
Science Recruitment Group Limited	Great Britain	Employment services	100%
Interpharma Limited	Great Britain	Investment holding company	100%
Praxis Executive Taskforce Limited	Great Britain	Investment holding company	100%
S Com Group Limited	Great Britain	Employment services	100%
Professional Staff Solutions Limited	Great Britain	Non-trading	100%
Euromedica GmbH	Germany	Non-trading	100%

All subsidiaries operate primarily in their country of incorporation

In May 2006, the company disposed of its entire 100 percent holding in Euromedica Limited and its subsidiaries. Profit on disposal was as follows

	<b>£'000</b>
Cash consideration – net	987
Deferred consideration – net	363
Cost of investment (cost and provision - £2,837k)	-
Disposal costs	(75)
Profit on disposal	1,275

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2007**

**8. DEBTORS**

	2007 £'000	2006 £'000
<b>Amounts falling due within one year</b>		
Amounts owed by parent undertaking	6,932	6,933
Amounts owed by group undertakings	-	37
Other debtors	363	-
	<u>7,295</u>	<u>6,970</u>

Amounts owed by parent undertaking are unsecured, interest free and payable on demand. Amounts owed by subsidiary undertakings include £nil (2006 £37,000) relating to group taxation relief

**9. CREDITORS**

	2007 £'000	2006 £'000
<b>Amounts falling due within one year</b>		
Bank overdraft (secured)	172	2,656
Amounts owed to group undertakings	-	15
Other creditors including taxation and social security	103	98
Accruals and deferred income	47	69
	<u>322</u>	<u>2,838</u>

**10. CALLED UP SHARE CAPITAL**

	2007 £'000	2006 £'000
<b>Authorised</b>		
24,000,000 ordinary shares of 2 pence each	<u>480</u>	<u>480</u>
<b>Called up, allotted and fully paid</b>		
8,828,132 ordinary shares of 2 pence each	<u>177</u>	<u>177</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2007**

**11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2007 £'000	2006 £'000
Profit for the financial year	2,841	1,165
Net increase in shareholders' funds	2,841	1,165
Opening shareholders' funds	6,307	5,142
Closing shareholders' funds	9,148	6,307

**12. STATEMENT OF MOVEMENTS ON RESERVES**

	Share premium account £'000	Capital redemption reserve £'000	Profit & loss account £'000
At 1 April 2006	22,814	16	(16,700)
Profit for the financial year	-	-	2,841
At 31 March 2007	22,814	16	(13,859)

**13. COMMITMENTS AND CONTINGENCIES**

The company's bankers hold a fixed and floating charge over the assets of the company as security over any overdraft. As at 31 March 2007, the company had an overdraft of £172,000 (2006 £2,656,000)

In addition, the company is subject to a cross guarantee covering any bank overdrafts of Carlisle Group plc and certain subsidiaries

The company is also subject to a cross guarantee covering amounts due under invoice discounting arrangements of certain fellow subsidiaries

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2007**

**14. ULTIMATE PARENT COMPANY**

The immediate parent undertaking is Ohsea Holdings Limited, a company incorporated in Great Britain and registered in England & Wales

The ultimate UK parent undertaking is Carlisle Group plc, a company incorporated in Great Britain and registered in England and Wales

At 31 March 2007, the ultimate parent company is Carlisle Group Limited, a company registered in Belize. Lord Ashcroft, KCMG was interested in and controlled 74.5 percent of Carlisle Group Limited. Consolidated accounts of Carlisle Group Limited can be obtained from the Company Secretary, 60 Market Square, Belize City, Belize, Central America.

**15. RELATED PARTY TRANSACTIONS**

In accordance with Financial Reporting Standard No. 8, "Related Party Transactions", transactions with other group undertakings within, and investee related parties of, the Carlisle Group Limited group have not been disclosed in these financial statements.