

COMPANY REGISTRATION NUMBER 03512673

MINT RECRUITMENT SOLUTIONS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2013

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MINT RECRUITMENT SOLUTIONS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

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MINT RECRUITMENT SOLUTIONS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	M R S Joyce G P Ashworth M A Braund
Company secretary	M R S Joyce
Registered office	6-7 St Cross Street London EC1N 8UA
Auditor	Deloitte LLP Chartered Accountants & Statutory Auditor 2 New Street Square London EC4A 3BZ
Bankers	Royal Bank of Scotland Benwell House Green Street Sunbury-on-Thames Middlesex TW16 6QT
Solicitors	Starr & Partners LLP 21 Garlick Hill London EC4V 2AU

MINT RECRUITMENT SOLUTIONS LIMITED

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2013

The directors, in preparing this strategic report, have complied with section 414c of the Companies Act 2006.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year comprised the provision of technology recruitment solutions.

BUSINESS REVIEW

The company was previously known as Maxridge Limited until 9 July 2012 when the name was changed to Mint Recruitment Solutions Limited. The company re-commenced trading on 1 September 2012, after a dormant period which began on 1 January 2006.

The company has grown significantly in its second year of trading, and this growth is expected to continue in the future.

The results for the year are set out on page 8.

PRINCIPAL BUSINESS RISKS

New employment legislation has increased the burden of compliance upon staffing companies and their clients. Future employment legislation could have a negative impact upon the UK recruitment market and the IT contractor market in particular. Future tax legislation or rulings could have a negative impact upon the financial status of IT contractors' personal service companies.

The company's clients require large numbers of staff, both permanent and temporary. To meet this demand, the company has developed increasingly sophisticated and flexible recruitment and consultancy services. However, it cannot guarantee that it will be able to supply sufficient numbers of, or suitably skilled, candidates to meet the future demand of its clients. This may adversely affect the company's business.

Parts of the company's businesses depend on technology systems and services provided by third parties. Whilst the company has comprehensive contingency planning, disaster recovery procedures and insurance in place, it cannot guarantee that if there is any interruption to the systems or services provided by those third parties or those systems or services are not as scalable as anticipated or at all, or there are problems in upgrading such systems or services, the company's business will not be adversely affected. In addition, the company may be unable to find adequate replacement services on a timely basis or at all.

The company plans to maintain its current level of trading during 2014. This places continued demands on the company's management, customer support, marketing, administrative and technological resources. If the company is unable to maintain its level of trading effectively, its businesses, operations and/or financial condition may deteriorate.

The company's success depends to a significant extent upon a limited number of key employees. No assurances can be given that the loss of any executive officer or key employee of the company would not have a material effect on the business, financial condition or results of operations of the company. In addition, the company may be adversely affected by staff turnover at more junior levels. The company has endeavoured to ensure that the employees at all levels are incentivised, but the retention of such staff cannot be guaranteed.

MINT RECRUITMENT SOLUTIONS LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2013

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company uses various financial instruments which include cash, trade debtors, trade creditors and amounts due to and from group undertakings that arise directly from its operations. The main purpose of these financial instruments is to finance the company's operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below.

The main risks arising from the company's financial instruments are interest rate risk, credit risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

INTEREST RATE RISK

The company is exposed to interest rate fluctuations on its invoice discounting facility. The company policy for interest rate management is to maintain a mix of fixed and floating rate borrowings. Interest rate risk in respect of debt on the balance sheet is reviewed on a regular basis against forecast interest costs and covenants.

CREDIT RISK

The company's principal financial assets are cash and trade debtors. The credit risk associated with cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises, therefore, from trade debtors.

In order to manage credit risk management set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the financial controller on a regular basis in conjunction with debt ageing and collection history.

LIQUIDITY RISK

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The parent company InterQuest Group Plc will continue to offer financial support to the company for the foreseeable future as stated in the going concern paragraph below.

The company's policy throughout the year has been to achieve this objective through management's day to day involvement in business decisions rather than through setting maximum or minimum liquidity ratios.

KEY PERFORMANCE INDICATORS

The directors use a range of performance indicators to measure the delivery of the company's strategic objectives. The most important of these measures are considered Key Performance Indicators ("KPI's") and their targets are determined annually. Our KPI's are set out below:

	2013	2012
	£	£
Revenue	11,383,820	3,354,614
GP %	21.5%	21.4%
Operating profit / (loss)	251,561	(475,628)

The KPI's are in line with the Director's expectations for the year. Revenue growth is due to the company recommencing trading on 1 September 2012 in the comparative financial year ended 31 December 2012.

MINT RECRUITMENT SOLUTIONS LIMITED

DIRECTORS' REPORT YEAR ENDED 31 DECEMBER 2013

The directors present their report and the financial statements of the company for the year ended 31 December 2013.

The following information has been disclosed in the group strategic report

- Financial Risk Management
- Key Performance Indicators

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £174,225 (2012: loss of £480,145). The directors have not recommended a dividend (2012: £nil).

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2013	At 1 January 2013
M R S Joyce	-	-
G P Ashworth	-	-
M A Braund	-	-
G C Goldsmith (resigned 22 January 2013)	-	-

M R S Joyce, G P Ashworth and M A Braund are directors of the ultimate parent company, InterQuest Group Plc. Their interests in the share capital of that company are shown in the financial statements.

G C Goldsmith resigned as Director of the company on 22 January 2013.

GOING CONCERN

The financial statements have been prepared on the going concern basis on the assumption that the parent company InterQuest Group Plc will continue to offer financial support to the company for the foreseeable future.

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 year.

MINT RECRUITMENT SOLUTIONS LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2013

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

AUDITOR

Deloitte LLP have expressed their willingness to be re-appointed for another term and a resolution to re-appoint Deloitte LLP as auditor will be proposed at the next Board meeting.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Signed by order of the directors


MRS JOYCE
Company Secretary

Approved by the directors on

26th September 2014

MINT RECRUITMENT SOLUTIONS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
MINT RECRUITMENT SOLUTIONS LIMITED
YEAR ENDED 31 DECEMBER 2013

We have audited the financial statements of Mint Recruitment Solutions Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, Balance Sheet and the related notes numbered 1 to 18. 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 shareholders, 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 shareholders 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 shareholders 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 pages 4 to 5, 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 the directors; and the overall presentation of the financial statements. 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.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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 MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MINT RECRUITMENT SOLUTIONS LIMITED

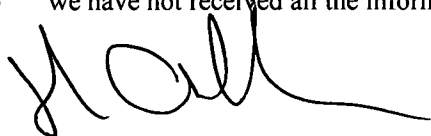
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MINT RECRUITMENT SOLUTIONS LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2013

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.



JOHN CHARLTON (Senior Statutory Auditor)
For and on behalf of
DELOITTE LLP
Chartered Accountants & Statutory Auditor

2 New Street Square
London
EC4A 3BZ

Date 30 September 2014

MINT RECRUITMENT SOLUTIONS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2013

	Note	2013 £	2012 £
TURNOVER	2	11,383,820	3,354,614
Cost of sales		<u>(8,935,073)</u>	<u>(2,638,182)</u>
GROSS PROFIT		2,448,747	716,432
Administrative expenses		<u>(2,197,186)</u>	<u>(1,192,060)</u>
OPERATING PROFIT/(LOSS)	3	251,561	(475,628)
Loss on disposal of fixed assets	5	(1,533)	–
Interest payable and similar charges	6	(14,632)	(4,517)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>235,396</u>	<u>(480,145)</u>
Tax on profit/(loss) on ordinary activities	7	(61,171)	–
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>174,225</u>	<u>(480,145)</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 10 to 18 form part of these financial statements.

MINT RECRUITMENT SOLUTIONS LIMITED

BALANCE SHEET

31 DECEMBER 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	8	<u>82,448</u>	<u>53,725</u>
CURRENT ASSETS			
Debtors	9	3,973,293	2,959,123
Cash at bank		<u>31,113</u>	<u>36,707</u>
		<u>4,004,406</u>	<u>2,995,830</u>
CREDITORS: Amounts falling due within one year	11	<u>(4,316,582)</u>	<u>(3,472,770)</u>
NET CURRENT LIABILITIES		<u>(312,176)</u>	<u>(476,940)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(229,728)</u>	<u>(423,215)</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	10	<u>—</u>	<u>(2,320)</u>
		<u>(229,728)</u>	<u>(425,535)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	14	100	100
Share options reserve	15	21,582	—
Profit and loss account	16	<u>(251,410)</u>	<u>(425,635)</u>
DEFICIT	17	<u>(229,728)</u>	<u>(425,535)</u>

These accounts were approved by the shareholders and authorised for issue on 26th September 2014
and are signed on their behalf by:

M R S JOYCE
Director

Company Registration Number: 03512673

The notes on pages 10 to 18 form part of these financial statements.

MINT RECRUITMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The principal accounting policies of the Company have remained unchanged from the previous year and are set out below.

Basis of preparation

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report on page 2 to 3.

The company is expected to continue to generate positive cash flows on its own account for the foreseeable future. The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

Going concern

The company is in a net current liabilities / net liabilities position at the current year end and the directors, having assessed the responses of the directors of the company's parent company InterQuest Group Plc to their enquiries and financial support available, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the InterQuest group to continue as a going concern or its ability to continue with the current banking arrangements.

After making enquiries and in light of the above, together with the company's results, financial position and medium-term plans, the directors have a reasonable expectation that the company has adequate financial resources to continue in operation for the foreseeable future. Therefore the going concern basis has continued to be adopted.

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 over 90% owned and its parent publishes a consolidated cash flow statement.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Turnover for temporary contract assignments is recognised over the contract period for the services of the temporary contractor. Turnover recognised, but not invoiced at the balance sheet date, is correspondingly accrued on the balance sheet within 'Prepayments and accrued income'.

MINT RECRUITMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES *(continued)*

Turnover from permanent placements, which is based on a percentage of the candidate's remuneration package, is derived from both retained assignments (income recognised on completion of defined stages of work) and non-retained assignments (income is recognised at the date the invoice is raised, which will have been produced after confirmation that the candidate has started their placement).

Provision is made for the expected cost of meeting obligations where placements do not work for the specified contractual period.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	20% straight line
Motor Vehicles	-	20% straight line
Equipment	-	20% straight line

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.

Finance lease agreements

Rentals applicable to finance leases where substantially all of the benefits and risks of ownership remain with the lessee are capitalised in the balance sheet and depreciated over the useful economical life of the asset.

Current and deferred taxation

Current tax is the tax currently payable based on taxable profits for the year.

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, or a right to pay less or to receive more tax, except deferred tax assets which are recognised only to the extent that the director considers that it is 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 is measured on an undiscounted basis at the 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.

MINT RECRUITMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES *(continued)*

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Invoice discounting

Where debts are invoice discounted the separate presentation proposed by FRS 5 has been adopted. In accordance with FRS 5 the gross amount of debts due from customers is included within trade debtors with the advances received from the financier shown as a liability.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2013 £	2012 £
United Kingdom	<u>11,383,820</u>	<u>3,354,614</u>

3. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging/(crediting):

	2013 £	2012 £
Directors' remuneration	—	—
Depreciation of owned fixed assets	19,343	10,816
Auditor's remuneration		
- as auditor	5,000	5,000
Operating lease costs:		
- Other	51,571	41,279
Net (profit)/loss on foreign currency translation	<u>(2,210)</u>	<u>1,484</u>

There were no operating lease commitments as at 31 December 2013 or 31 December 2012.

All of the Directors who served during the year were also Directors of the parent undertaking, InterQuest Group plc and remunerated by that Company. Details of their remuneration can be found in those accounts.

MINT RECRUITMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

4. PARTICULARS OF EMPLOYEES

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

	2013	2012
	No	No
Sales	32	37
Directors	3	3
	<u>35</u>	<u>40</u>

The aggregate payroll costs of the above were:

	2013	2012
	£	£
Wages and salaries	1,252,437	655,765
Social security costs	128,577	70,474
	<u>1,381,014</u>	<u>726,239</u>

5. LOSS ON DISPOSAL OF FIXED ASSETS

	2013	2012
	£	£
Loss on disposal of fixed assets	<u>(1,533)</u>	<u>-</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
Interest payable on bank borrowing	<u>14,632</u>	<u>4,517</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013	2012
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 23.25% (2012 - 24.50%)	67,901	-
Total current tax	<u>67,901</u>	<u>-</u>
Deferred tax:		
Origination and reversal of timing differences	<u>(6,730)</u>	<u>-</u>
Tax on profit/(loss) on ordinary activities	<u>61,171</u>	<u>-</u>

MINT RECRUITMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 23.25% (2012 - 24.50%).

	2013 £	2012 £
Profit/(loss) on ordinary activities before taxation	<u>235,396</u>	<u>(480,145)</u>
Profit/(loss) on ordinary activities by rate of tax	54,730	(117,635)
Expenses not deductible for tax purposes	5,010	1,668
Capital allowances for period in excess of depreciation	3,143	1,308
Group relief	-	114,659
FRS 20 charge	<u>5,018</u>	<u>-</u>
Total current tax (note 7(a))	<u>67,901</u>	<u>-</u>

8. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST				
At 1 January 2013	75,575	26,815	19,856	122,246
Additions	202	-	49,319	49,521
Disposals	(2,021)	-	-	(2,021)
At 31 December 2013	<u>73,756</u>	<u>26,815</u>	<u>69,175</u>	<u>169,746</u>
DEPRECIATION				
At 1 January 2013	44,196	4,469	19,856	68,521
Charge for the year	7,623	5,363	6,357	19,343
On disposals	(566)	-	-	(566)
At 31 December 2013	<u>51,253</u>	<u>9,832</u>	<u>26,213</u>	<u>87,298</u>
NET BOOK VALUE				
At 31 December 2013	<u>22,503</u>	<u>16,983</u>	<u>42,962</u>	<u>82,448</u>
At 31 December 2012	<u>31,379</u>	<u>22,346</u>	<u>-</u>	<u>53,725</u>

MINT RECRUITMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

9. DEBTORS

	2013	2012
	£	£
Trade debtors	1,577,890	1,940,855
Amounts owed by group undertakings	2,027,116	810,916
Other debtors	26,709	34,951
Prepayments and accrued income	337,168	172,401
Deferred taxation (note 10)	4,410	-
	<u>3,973,293</u>	<u>2,959,123</u>

Included within trade debtors is £408,093 (2012: £326,772) in respect of invoice discounted debts outstanding at the year end.

10. DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows:

	2013	2012
	£	£
Included in debtors (note 9)	4,410	-
Included in provisions	-	(2,320)
	<u>4,410</u>	<u>(2,320)</u>

The movement in the deferred taxation account during the year was:

	2013
	£
Balance brought forward	(2,320)
Profit and loss account movement arising during the year	6,730
Balance carried forward	<u>4,410</u>

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

	2013	2012
	£	£
Excess of depreciation over taxation allowances	4,410	(2,320)
	<u>4,410</u>	<u>(2,320)</u>

The effective deferred tax rate at the 2013 balance sheet date was 23.25% (2012: 23%).

Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

MINT RECRUITMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

11. CREDITORS: Amounts falling due within one year

	2013	2012
	£	£
Bank loans and overdrafts	408,222	326,901
Trade creditors	524,120	562,978
Amounts owed to group undertakings	2,898,742	2,306,126
Corporation tax	67,900	882
Other taxes and social security	210,767	187,493
Accruals and deferred income	206,831	88,390
	<u>4,316,582</u>	<u>3,472,770</u>

12. SHARE-BASED PAYMENTS

Equity-settled share-based payments

The company has a share option scheme for key management staff. Options are exercisable at a price agreed by the Company and the employee when the options were granted. The options outstanding at 31 December 2013 had an exercise price of 1p and vesting periods ranging between one to two years. The exercise of options is dependent on eligible employee's meeting performance criteria set out in the options agreements. The form of settlement for share options is at the discretion of the Company, however, the expectation is that they are settled with equity.

If the options remain unexercised after a period of ten years from the date of grant, the options expire. Options are forfeited if the employee leaves the company before the options vest.

Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the year are as follows:

	2013		2012	
	No	WAEP £	No	WAEP £
Granted during the year	<u>200,200</u>	<u>0.01</u>	—	—
Outstanding at the end of the year	<u>200,200</u>	<u>0.01</u>	—	—
Exercisable at the end of the year	<u>200,200</u>	<u>0.01</u>	—	—

MINT RECRUITMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

12. SHARE-BASED PAYMENTS *(continued)*

The share options outstanding at the end of the year have a weighted average remaining contractual life of 1.7 years (2012: no options granted) and have the following exercise prices:

Expiry date	Exercise price £	2013 No	2012 No
1 January 2025	0.01	110,200	—
1 January 2026	0.01	90,000	—
		<u>200,200</u>	<u>—</u>

The estimated fair value of the options granted in the year was £119,720 (2012: no options granted). Fair value is the value of the options at the date of grant based on their exercise price.

The fair values were calculated using the Black-Scholes valuation model. The inputs into the model were as follows:

	2013	2012
Weighted average share price - £	0.60	—
Weighted average exercise price - £	0.01	—
Expected volatility - %	30.00	—
Expected life - years	2.00	—
Risk free rate - %	<u>0.50</u>	<u>—</u>

Expected volatility was calculated by using suitable comparative historical share prices for the two years prior to the date of grant of the options. The share-based payment charge expense in respect of the EMI scheme for 2013 is £21,582 (2012: £nil).

13. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

There were no other related party transactions.

14. SHARE CAPITAL

Authorised share capital:

	2013 £	2012 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

MINT RECRUITMENT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

14. SHARE CAPITAL *(continued)*

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

15. SHARE OPTIONS RESERVE

	2013 £	2012 £
Recognition of equity-settled share-based payments in the year	<u>21,582</u>	—
Balance carried forward	<u>21,582</u>	—

16. PROFIT AND LOSS ACCOUNT

	2013 £	2012 £
Balance brought forward	(425,635)	54,510
Profit/(loss) for the financial year	<u>174,225</u>	(480,145)
Balance carried forward	<u>(251,410)</u>	<u>(425,635)</u>

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Profit/(Loss) for the financial year	<u>174,225</u>	(480,145)
Recognition of equity-settled share-based payments in the year	<u>21,582</u>	—
Net addition/(reduction) to shareholders' (deficit)/funds	<u>195,807</u>	(480,145)
Opening shareholders' (deficit)/funds	<u>(425,535)</u>	54,610
Closing shareholders' deficit	<u>(229,728)</u>	<u>(425,535)</u>

18. ULTIMATE PARENT COMPANY

The ultimate parent undertaking and controlling party of the company is InterQuest Group Plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements, incorporated in England and Wales. Copies of the group accounts can be obtained from the ultimate parent undertakings' registered office.