

ASA Locums Limited

Directors' Report and Accounts

Year ended 31 December 2002

Company Registration No. 3540088 (England and Wales)



ASA Locums Limited

Company Information

Directors

F O'Brien
A J T Pilgrim
J R Pinder

Secretary

M J Taylor

Company number

3540088

Registered office

Turnford Place
Great Cambridge Road
Turnford
Broxbourne
Hertfordshire
EN10 6NH

ASA Locums Limited

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ASA Locums Limited

Directors' Report

Year ended 31 December 2002

The directors present their report and the audited financial statements for the year ended 31 December 2002.

Principal activities and review of the business

The principal activity of the company in the period under review was the provision of locum staff to the healthcare and social services sectors.

The directors consider the results for the year and the future prospects to be satisfactory.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend the payment of an ordinary dividend (2001: £nil).

Directors

The following directors held office throughout the year:-

F O'Brien
A J T Pilgrim
J R Pinder

Directors' interests

At the beginning and end of the year F O'Brien had an interest in 120,000 B2 ordinary shares of 1p each in Match Holdings Limited. Neither of the other directors had any interests requiring disclosure as they are directors of the holding company.

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which 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 accounts, the directors confirm they have;

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepared the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

ASA Locums Limited

Directors' Report

Year ended 31 December 2002

Employees

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made which are likely to affect their interests, and that all employees are aware of the financial and economic performance of the company. Communication with all employees continues through briefing groups. Under the active guidance of its Personnel Department, the company continues to make effective arrangements for the health, safety and welfare of its employees.

Disabled employees

It is the company's policy that disabled persons should be considered for employment, training, career development and promotion on the basis of their abilities and aptitudes in common with all employees.

The company applies employment policies which are fair and equitable for all employees and which ensure entry into and progression within the company are determined solely by application of job criteria and personal ability and competency. Full and fair consideration (having regard to the person's particular aptitudes and abilities) is given to applications for employment and the career development of disabled persons.

Environmental issues

As a service-based organisation, with no manufacturing or transportation facilities, the company's exposure to environmental risk is limited. At present, the company does not possess a formal environmental policy but observes environmentally-aware procedures appropriate to its business (for example, reducing usage of energy and paper).

Charitable and political donations

No charitable or political donations were made during the year.

Auditors

Following the conversion of the auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 7 March 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors.

By order of the board



.....
J R Pinder

Director

2 April 2003

ASA Locums Limited

Independent auditors' report

To the Members of ASA Locums Limited

We have audited the financial statements, which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the 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 into 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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions is not disclosed.

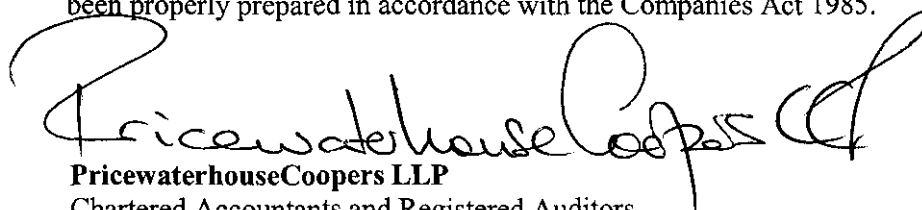
Basis of audit opinion

We conducted our audit in accordance with auditing standards 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2002 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors
London

2 April 2003

ASA Locums Limited

Profit and Loss Account ***Year ended 31 December 2002***

		2002	2001
	Notes	£	£
Turnover	1	17,933,613	22,580,733
Cost of sales		<u>(13,816,690)</u>	<u>(18,288,561)</u>
Gross profit		4,116,923	4,292,172
Administrative expenses		<u>(1,778,058)</u>	<u>(2,204,249)</u>
Operating profit	2	2,338,865	2,087,923
Interest receivable and similar income	3	<u>502,629</u>	<u>362,975</u>
Profit on ordinary activities before taxation		2,841,494	2,450,898
Tax on profit on ordinary activities	6	<u>-</u>	<u>(736,000)</u>
Profit for the financial year	11	<u><u>2,841,494</u></u>	<u><u>1,714,898</u></u>

The above activities wholly relate to continuing operations.

There were no recognised gains and losses other than those included in the profit and loss account and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the profit for the period stated above and their historical cost equivalents.

ASA Locums Limited

Balance sheet

As at 31 December 2002

	Notes	2002 £	2001 £
Fixed assets			
Tangible assets	7	39,385	47,290
Current assets			
Debtors	8	2,109,218	2,649,684
Cash at bank and in hand		7,647,831	6,311,259
		9,757,049	8,960,943
Creditors: amounts falling due within one year	9	(1,574,919)	(3,628,212)
Net current assets		8,182,130	5,332,731
Net assets		8,221,515	5,380,021
Capital and reserves			
Called up share capital	10	1,000	1,000
Profit and loss account	11	8,220,515	5,379,021
Shareholders' funds – equity interests	12	8,221,515	5,380,021

The accounts were approved by the Board on 2 April 2003 and signed on its behalf
by:



J R Pinder
Director

ASA Locums Limited

Cash flow Statement As at 31 December 2002

	2002	2001
	£	£
Net cash inflow from operating activities	2,426,875	2,376,295
Returns on investments & servicing of finance		
Interest received & other similar income	502,629	362,975
Taxation		
UK corporation tax/group relief paid	(1,582,332)	-
Capital expenditure		
Purchase of tangible fixed assets	(10,600)	(11,382)
Increase in cash in the year	<u>1,336,572</u>	<u>2,727,888</u>

Reconciliation of operating profit to operating cash flows

	2002	2001
	£	£
Operating profit	2,338,865	2,087,923
Depreciation on tangible fixed assets	18,505	18,689
Decrease in debtors	540,466	263,450
(Decrease)/increase in creditors	(470,961)	6,233
	<u>2,426,875</u>	<u>2,376,295</u>

Reconciliation of net cash flow to movements in net funds and analysis of net funds

	2002	2001
	£	£
	Cash	Cash
Increase in cash in the period	1,336,572	2,727,888
Opening Net funds	6,311,259	3,583,371
Closing Net funds	<u>7,647,831</u>	<u>6,311,259</u>

**Notes to the financial statements
As at 31 December 2002**

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and including any inter-group trading and relates wholly to the United Kingdom.

Turnover from the placement of temporary staff, represents the gross sales value of hours worked and is generally recognised on a weekly basis. Turnover from the placement of permanent staff and bank staff represents the commission receivable and is recognised at the commencement of placement.

1.3 Working time directive

Accruals are made, based on experience, and recognised in cost of sales, to reflect the potential liability payable for holiday pay under the EC working time directive.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and when appropriate, provisions for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value, of each asset on a straight line basis over its expected useful life as follows:

Office equipment	Five years
Fixture, fittings & equipment	Five years

The carrying values of tangible assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

1.5 Leases

Rental payments under operating leases are charged to the profit and loss account on a straight line basis in arriving at the operating profit.

1.6 Deferred taxation

During the year, the Group adopted FRS 19 'Deferred tax' which requires deferred taxation to be recognised in full in respect of transactions or events that have taken place by the balance sheet date and which could give rise to an obligation to pay more or less taxation in the future.

The accounting policy of the Group had been to recognise deferred taxation only to the extent that it was probable that a liability or asset would crystallise in the foreseeable future. As FRS 19 requires that deferred taxation should now be provided in full on all timing differences that are not permanent, the policy has

ASA Locums Limited

Notes to the financial statements As at 31 December 2002

1 Accounting policies (continued)

1.6 Deferred taxation (cont.)

therefore been changed to make full provision for timing differences. The Group has chosen not to discount deferred tax balances, as permitted by FRS 19.

The adoption of FRS19 has led to no changes on the current or prior year balances.

1.7 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange on the balance sheet date. Foreign currency transactions are translated during the year based on month-end exchange rates.

1.8 Related parties

Advantage has been taken of the exemption within FRS 8 (Related Party Transactions) not to disclose transactions between wholly owned group companies.

1.9 Pensions

The pension costs charged in the accounts represent the contribution payable by the company to defined contribution schemes during the period in accordance with SSAP 24.

2 Operating profit

Operating profit is stated after charging:

	2002	2001
	£	£
Depreciation of tangible assets	18,505	18,689
Auditors' remuneration	12,000	12,000
Operating lease rentals-plant and machinery	11,528	11,563
Operating lease rentals-other	26,200	26,200

3 Other interest receivable and similar income

	2002	2001
	£	£
Bank interest	502,629	362,975

ASA Locums Limited

Notes to the financial statements As at 31 December 2002

4 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2002	2001
	Number	Number
Operational staff	14	16
Administration staff	13	15
	<u>27</u>	<u>31</u>

Employment costs

	2002	2001
	£	£
Wages and salaries	730,719	771,059
Social security costs	69,300	72,846
Other pension costs	17,119	-
	<u>817,138</u>	<u>843,905</u>

5 Directors' remuneration

	2002	2001
	£	£
Remuneration for qualifying services	-	47,480
	<u>-</u>	<u>47,480</u>

No retirement benefits accrue to any directors (2001:£nil). The directors are remunerated for their services to the group as a whole and details of their remuneration are disclosed in the financial statements of Match Group PLC.

6 Taxation

	2002	2001
	£	£
U.K current year taxation		
U.K Corporation tax at 30% (2001 – 30%)	-	736,000

	2002	2001
	£	£
Profit on ordinary activities before taxation	2,841,494	2,450,898
Standard rate of UK corporation tax at 30%	852,448	736,000
Excess of capital allowances over depreciation	(398)	-
Group relief received	(852,050)	-
Current tax charge	<u>-</u>	<u>736,000</u>

ASA Locums Limited

Notes to the financial statements As at 31 December 2002

7 Tangible fixed assets

	Office equipment	Furniture, Fittings & Equipment	Total
	£	£	£
Cost			
At 1 January 2002	55,907	42,123	98,030
Additions	10,600	-	10,600
At 31 December 2002	66,507	42,123	108,630
Depreciation			
At 1 January 2002	24,266	26,474	50,740
Charge for the year	10,783	7,722	18,505
At 31 December 2002	35,049	34,196	69,245
Net book value			
At 31 December 2001	31,641	15,649	47,290
Net book value			
At 31 December 2002	31,458	7,927	39,385

8 Debtors

	2002	2001
	£	£
Trade debtors	2,056,484	2,591,951
Prepayments and accrued income	52,734	57,733
	2,109,218	2,649,684

9 Creditors: amounts falling due within one year

	2002	2001
	£	£
Trade creditors	15,284	10,872
Amounts owed to group undertaking	253,022	664,273
Corporation tax	765,631	2,347,963
Other taxation and social security	230,274	198,831
Other creditors	274,629	388,433
Accruals and deferred income	36,079	17,840
	1,574,919	3,628,212

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

ASA Locums Limited

Notes to the financial statements As at 31 December 2002

10 Share capital

	2002 £	2001 £
Authorised		
1,000 (2001:1,000) ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
1,000 (2001:1,000) ordinary shares of £1 each	1,000	1,000

11 Profit and loss account

	2002 £	2001 £
Balance at 1 January	5,379,021	3,664,123
Retained profit for the financial year	2,841,494	1,714,898
Balance at 31 December	8,220,515	5,379,021

12 Reconciliation of movements in shareholders' funds

	2002 £	2001 £
Profit for the financial year	2,841,494	1,714,898
Opening shareholders' funds	5,380,021	3,665,123
Closing shareholders' funds	8,221,515	5,380,021

13 Contingent liabilities

The company has given its bankers guarantees in respect of the borrowings of other group undertakings of £36,725,000 (2001 - £44,155,000).

14 Financial commitments

At 31 December 2002 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2002 £	2001 £	2002 £	2001 £
Expiry date:				
Within one year	13,100	-	-	-
Between two and five years	-	42,940	11,549	11,549

15 Control

The immediate parent company is Match Healthcare Limited, which is the smallest company to consolidate the financial statements.

The ultimate parent company and controlling party was Match Holdings Limited which is the parent undertaking of the largest group to consolidate these financial statements. Copies of these consolidated financial statements of Match Holdings Limited are available from Turnford Place, Great Cambridge Road, Turnford, Broxbourne, Hertfordshire, EN10 6NH.