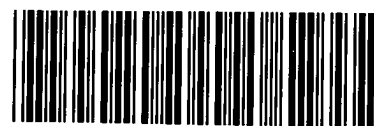


Annual Report and Financial Statements Advanced Personnel Management (UK) Limited

For the year ended 30 June 2014

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Registered number: 05903292

Contents

	Page
Company information	2
Directors' report	3 - 4
Independent auditors' report	5 - 6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9 - 15

Company Information

Company number	5903292
Registered office	St Bride's House 10 Salisbury Square London EC4Y 8EH
Directors	Megan Kyla Wynne Bruce Stone Bellinge
Company secretary	Bruce Stone Bellinge
Independent Auditor	PricewaterhouseCoopers LLP Chartered Accountants and statutory Auditors Cornwall Court 19 Cornwall Street Birmingham B3 2DT

Directors' report

For the year ended 30 June 2014

The directors present their report and the audited financial statements for the year ended 30 June 2014.

Principal activities

During the year APM (UK) Limited continued to provide employability and similar services to a range of customers. APM (UK) Limited provides services under the UK Governments Work Programme and similar contracts. In particular APM (UK) Limited is driven to work with those who face considerable health challenges as they seek employment and to assist young people not in education, employment or training (NEET's) or those at risk of becoming NEET. We are genuinely passionate about helping these customers and devote considerable resources and time to that end.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

Megan Kyla Wynne
Bruce Stone Bellinge

Strategic Report

The directors have not prepared the strategic report in accordance with special provisions relating to small companies within Part 15 of the Companies Act 2006.

Directors' responsibilities statement

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 prepared 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Directors' report

For the year ended 30 June 2014

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Serendipity (WA) Pty Ltd. The Directors have received confirmation that Serendipity (WA) Pty Ltd intend to support the company for at least one year after these financial statements are signed.

Statement of disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that ought to have been taken as directors in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 31 MARCH 2015 and signed on by its order.



Bruce Stone Bellinge
Secretary

Independent auditors report to the members of Advanced Personnel Management (UK) Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of its loss 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Advanced Personnel Management (UK) Limited, comprise:

- the balance sheet as at 30 June 2014;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 and Financial Statements 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 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Matthew Walker (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
1 April 2015

Profit and loss account

For the year ended 30 June 2014

	Note	2014 £	2013 £
Turnover	2	2,092,478	1,210,248
Cost of sales		(1,916,823)	(1,375,800)
Gross profit / (loss)		175,655	(165,552)
Administrative expenses		(325,923)	(109,844)
Other operating income	5	146,578	85,117
Operating (loss)		(3,690)	(190,279)
Interest payable and similar charges	15(b)	(103,385)	(98,068)
Loss on ordinary activities before taxation	3	(107,075)	(288,347)
Tax on loss on ordinary activities	6	-	-
Loss for the financial year	13	(107,075)	(288,347)

All results derive from continuing activities.

The company has no recognised gains or losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents.

The notes on pages 9 to 15 form part of these financial statements

Balance sheet

As at 30 June 2014

	Note	2014		2013	
		£	£	£	£
Fixed assets					
Tangible assets	7		14,572		33,576
Current assets					
Debtors	8	418,932		505,967	
Cash at bank and in hand		<u>218,236</u>		<u>102,103</u>	
		637,168		608,070	
Creditors: amounts falling due within one year	9	<u>(518,276)</u>		<u>(392,248)</u>	
Net current assets			<u>118,892</u>		<u>215,822</u>
Total assets less current liabilities			133,464		249,398
Creditors: amounts falling due after more than one year	10		<u>(1,610,019)</u>		<u>(1,618,878)</u>
Net liabilities			<u>(1,476,555)</u>		<u>(1,369,480)</u>
Capital and reserves					
Called up share capital	11		1		1
Profit and loss account	12		<u>(1,476,556)</u>		<u>(1,369,481)</u>
Total Shareholders' deficit	13		<u>(1,476,555)</u>		<u>(1,369,480)</u>

The financial statements on pages 7-15 were approved and authorised for issue by the board and were signed on its behalf by:



Megan Kyla Wynne

Director

Dated: 31 MARCH 2015

Notes to the financial statements

As at 30 June 2014

1. Accounting policies

1.1 Basis of preparation of financial statements

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 Going concern

Serendipity (WA) Pty Ltd, the company's ultimate parent undertaking, has confirmed that it will continue to provide such financial support as is necessary to enable the company to continue to meet its liabilities as they fall due for at least twelve months from the date that the financial statements are signed. Accordingly, the financial statements have been prepared on a going concern basis.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:
Computer equipment - Straight line over 3 years

1.5 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, or a right to pay less or to receive more tax, with the following exceptions:

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.

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.

1.6 Foreign currencies

Monetary 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.

1.7 Pensions

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.

Notes to the financial statements

As at 30 June 2014 (continued)

1.8 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

1.9 Cashflow statement

The company is a wholly owned subsidiary of Serendipity (WA) Pty Ltd, a company incorporated in Australia, whose financial statements are publicly available. The company has therefore taken advantage of the exemption from preparing a cashflow statement under the terms of Financial Reporting Standard 1.

Notes to the financial statements

As at 30 June 2014 (continued)

2. Turnover

	2014	2013
	£	£
Services	2,089,971	1,210,248
Others	2,507	-
	<u>2,092,478</u>	<u>1,210,248</u>

3. Loss on ordinary activities

The loss on ordinary activities is stated after charging:

	2014	2013
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	29,176	24,841
Auditor's remuneration	10,000	7,000
Accounting fees	2,246	10,500
Operating leases - land & buildings	<u>24,863</u>	<u>9,141</u>

No directors were remunerated by the company in the year (2013: £0) and no recharge made to the company. Directors' remuneration disclosures can be found in the accounts of Serendity (WA) Pty Ltd.

4. Staff costs

Staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	503,736	219,316
Other social security costs	49,368	22,317
Pension costs	<u>5,040</u>	<u>5,040</u>
	<u>558,144</u>	<u>246,673</u>

The average monthly number of employees during the year was as follows:

	2014	2013
	No.	No.
	<u>16</u>	<u>10</u>

Notes to the financial statements

As at 30 June 2014 (continued)

5. Other operating income

	2014	2013
	£	£
Foreign exchange gain on intercompany loan	146,578	85,117

6. Tax on loss on ordinary activities

Tax on loss on ordinary activities

The tax charge is made up as follows:

	2014	2013
	£	£
Total current tax	-	-

Factors affecting tax charge for the year

Loss on ordinary activities before taxation	(107,075)	(288,347)
Loss on ordinary activities before tax multiplied by standard rate of UK corporation tax of 22.50% (2013 - 23.75%)	(24,092)	(68,482)
Effects of:		
Depreciation add back	6,127	5,713
Tax losses	17,965	62,904
Other tax adjustments	-	(135)
Current tax charge for the year	-	-

There is no tax charge for the current or prior year. The company has an unrecognised deferred tax asset in relation to tax losses carried forward amounting to £1,388,463 (2013: £1,356,061). A deferred tax asset at 21% (2013: 23%) in respect of these tax losses carried forward of £328,253 (2013: £311,894) would only be recognised where it is expected that the asset will be recoverable in the foreseeable future. To the extent that the unrecognised losses prove to be recoverable in the future, such recognition will reduce tax charge accordingly. The deferred tax asset has not been recognised as it is still considered more likely that the asset will not be recoverable in the foreseeable future until profitability is achieved.

Notes to the financial statements

As at 30 June 2014 (continued)

7. Tangible fixed assets

Group	Vehicles and office equipment £	Total
Cost or valuation		
At 1 July 2013	90,200	90,200
Additions at cost	10,172	10,172
At 30 June 2014	100,372	100,372
Accumulated depreciation		
At 1 July 2013	56,624	56,624
Charge for the year	29,176	29,176
At 30 June 2014	85,800	85,800
Net book amount at 30 June 2014	14,572	14,572
Net book amount at 30 June 2013	33,576	33,576

8. Debtors

	2014 £	2013 £
Trade debtors	398,990	497,607
Other debtors	19,942	8,360
	418,932	505,967

9. Creditors:

Amounts falling due within one year

	2014 £	2013 £
Trade creditors	138,646	109,344
Taxation and social security	14,471	11,446
Other creditors	270,370	154,636
VAT liability	77,210	73,715
Accruals and deferred income	17,579	43,107
	518,276	392,248

Notes to the financial statements

As at 30 June 2014 (continued)

10. Creditors:

Amounts falling due after more than one year

	2014	2013
	£	£
Amounts owed to group undertakings	1,610,019	1,618,878
	<u>1,610,019</u>	<u>1,618,878</u>

Amounts owed to group undertakings, Serendipity (WA) Pty Ltd, are unsecured and repayable at the discretion of the directors. In the year ending 30 June 2014, interest was charged on the amounts owed at a rate of 6.86% (2013: 7%)

11. Called up Share capital

	2014	2013
	£	£
Allotted, called up and fully paid		
1 (2013: 1) Ordinary share of £1	<u>1</u>	<u>1</u>

12. Profit and loss account

	Profit and loss account
	£
At 1 July 2013	(1,369,481)
Loss for the financial year	(107,075)
At 30 June 2014	<u>(1,476,556)</u>

13. Reconciliation of movement in shareholders' deficit

	2014	2013
	£	£
Opening shareholders' deficit	(1,369,480)	(1,081,133)
Loss for the financial year	(107,075)	(288,347)
Closing shareholders' deficit	<u>(1,476,555)</u>	<u>(1,369,480)</u>

Notes to the financial statements

As at 30 June 2014 (continued)

14. Operating lease commitments

At 30 June 2014 the company had annual commitments under other non-cancellable operating leases expiring as follows:

	2014 Land & buildings £	2013 Land & buildings £
Annual commitments under non-cancellable operating leases expiring:		
Within one year	53,360	736
Within two to five years	58,350	-
	111,710	736

15. Related party transactions

(a) During the year the parent company, Serendipity (WA) Pty Limited provided a cash advance and also settled other costs on behalf of Advanced Personnel Management (UK) Limited. The amount owed to Serendipity (WA) Pty Limited at 30 June 2014 was £1,610,019 (2013: £1,618,878), and is included within creditors falling due after more than one year.

(b) During the year, interest was charged to Advanced Personnel Management (UK) Limited from Serendipity (WA) Pty Ltd at the rate of 6.86% (2013: 7%) on the average monthly outstanding loan balance. For the year ended 30 June 2014, this amounted to £103,385 (2013: £98,068).

16. Ultimate parent undertaking and controlling party

The largest and smallest group within which the results of Advanced Personnel Management (UK) Limited are consolidated is the group headed by Serendipity (WA) Pty Limited, which is incorporated in Australia.

The largest shareholding in Serendipity (WA) Pty Limited is held by MKW Nominees Pty Ltd, which is effectively the ultimate controlling party.

Copies of this company's financial statements are available from 58 Ord Street, West Perth, WA 6005, Australia.