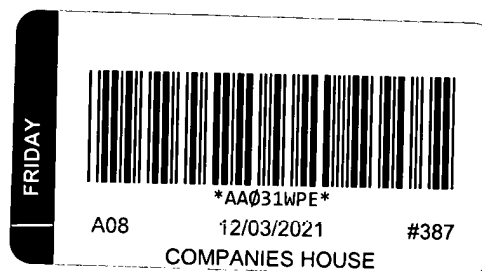


Company Registration No. 08201481 (England and Wales)

**JJK PERSONNEL LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**



**Riordan O'Sullivan & Co**  
Chartered Certified Accountants and Statutory Auditors  
40 Chamberlayne Road  
London  
NW10 3JE

## JJK PERSONNEL LIMITED

### COMPANY INFORMATION

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|                             |   |
|-----------------------------|---|
| <b>Directors</b>            | K D Nestor<br>J C Sweeney<br>J D O'Connell<br>M G Cohen (appointed 18 February 2020)<br>A K Rae (appointed 18 February 2020)    |
| <b>Registered number</b>    | 08201481  |
| <b>Registered office</b>    | 322 High Holborn<br>London<br>WC1V 7PB  |
| <b>Independent auditors</b> | Riordan O'Sullivan & Co<br>Chartered Certified Accountants and Statutory Auditors<br>40 Chamberlayne Road<br>London<br>NW10 3JE |
| <b>Bankers</b>              | Lloyds Bank Plc<br>39 Threadneedle Street<br>London<br>EC2R 8AU   |

**JJK PERSONNEL LIMITED**

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## **JJK PERSONNEL LIMITED**

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present their Strategic Report of the Group for the year ended 31 March 2020.

#### **Principal activities**

The principal activities of JJK Personnel Limited T/A Falcon Green remained that of resourcing, assessing, training and supplying site professional & technical staff, skilled operatives, logistics operatives and tradesmen to the building and civil engineering industry. We supply both temporary and permanent staff.

#### **Business review**

Our reputation has been built on the constant delivery of quality personnel to each project that we undertake. Our dedicated and experienced team ensures that a high quality and reliable service is provided at all times, thus ensuring our valued clients receive a bespoke, tailored service. We continued to enhance the long relationships established with our customers allowing us to move from a general service provider to a partnership status built on trust, consistency, reliability and working for our mutual benefit.

We continue to work on some of the largest construction and infrastructure projects currently in progress in the United Kingdom. With four UK regional offices (London, Birmingham, Manchester and Belfast) and an office in Dublin to service the Irish market, we feel we are in a position to provide an excellent UK and Ireland nationwide service at competitive rates. The Belfast office is a new office and we have an excellent team in place to service the Northern Ireland market.

We finished second on the Recruiter Hot 100 list this year which means we have been in the top 2 for the last 4 years. This is an excellent benchmark on which we continue to build.

Our staff are dedicated, experienced, mobile and have an excellent reputation in our sector. We will continue to deliver a consistent and efficient service to our longstanding customers and to carry on our profitable business for the foreseeable future. We see the permanent recruitment side of our business growing steadily as a percentage of our company turnover during the coming years ahead.

This year we focused on the future by laying the foundations for more organic growth and a blueprint for more success. We did this by firstly putting a business plan in place with a more progressive corporate structure and we then presented the plan to the business to get all key stakeholders to support the plan. We were due to launch this plan in April 2020 but due to the pandemic we had to postpone most of it but we pushed on with the transformation aspect of the business which sets us up for an excellent future.

The Covid-19 pandemic hit the business performance slightly due to it coming into play in the middle of March. Due to the fact that we built the business on a solid and prudent financial footing, we are pleased to say that we are in a strong position to weather the upcoming storm. Our priority is to keep our staff and on-site operatives healthy and well during the coming months and years.

#### **Principal risks and uncertainties**

The principal risks of our company are similar to most companies and industry sectors, namely the state of the economy and related global issues. We are dependent on the general economic environment and on the construction industry sector in which we operate.

With the pandemic to the fore, every business will be entering challenging times. The pandemic was an unforeseen event and stands to be a real test for every recruitment business. We have strong blue-chip clients with their credit-worthiness backed by insurance cover so this gives a robust chance of weathering the impending storm. Provided that our key clients continue to pay us we should hypothetically be able to build a stronger cash position if revenues fall and invoices continue to be paid. This would give us opportunity to accelerate growth post-pandemic. All this remains to be seen.

## JJK PERSONNEL LIMITED

### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

#### Financial instruments, credit, liquidity and interest rate risk

The company does not utilise complex financial instruments or hedging mechanism. Its principal financial instruments comprise of bank balances and trade creditors. The main purpose of these instruments is to finance the company's day to day operations. Due to the nature of these financial instruments there is little exposure to financial and liquidity risk other than normal inflationary risk.

#### Financial key performance indicators

|                        |       | 2020   | 2019   | 2018   | 2017   |
|------------------------|-------|--------|--------|--------|--------|
| Turnover               | £'000 | 41,506 | 39,814 | 30,278 | 22,860 |
| Operating profit       | £'000 | 2,299  | 3,353  | 2,826  | 2,327  |
| Balance sheet strength | £'000 | 6,867  | 6,008  | 4,249  | 2,997  |

#### Health and safety at work and accreditations

At Falcon Green, Health & Safety remains at the forefront of our core values with regard to the working conditions and well-being of our operatives. We meet all operatives at the start of their work for us as part the Falcon Green stringent induction systems and procedures regime during which we ensure they are fit and proper and suitable for the role and are properly equipped with appropriate PPE and that they hold the necessary CSCS skills certification as verified by our Phoenix software. Our staff are qualified to carry out face recognition procedures where necessary and to hold 'toolbox' talks on a regular basis on sites.

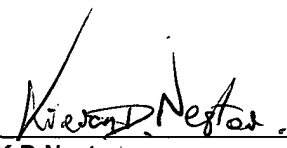
We have the following accreditations: CHAS, ISO: 9001, REC, SMAS and Considerate Contractors.

#### Going concern

The company has a strong balance sheet with adequate liquidity and a healthy order book from long standing customers. The directors are confident that the company can continue to trade successfully for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 2.3 of the financial statements.

This report was approved by the board on 5 March 2021 and signed on its behalf.

  
K D Nestor  
Director

## **JJK PERSONNEL LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present their report and the financial statements for the year ended 31 March 2020.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Annual Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £1,734,673 (2019 - £2,608,816).

#### **Directors**

The directors who served during the year were:

K D Nestor  
J C Sweeney  
J D O'Connell  
M G Cohen (appointed 18 February 2020)  
A K Rae (appointed 18 February 2020)

#### **Future developments**

We feel the overall group position is strong. With the investment in JJK Personnel Ireland Limited giving access to a new market in Dublin, as well as investment in the Manchester office, the two locations will be key over the coming years.

**JJK PERSONNEL LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020**

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**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 the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

**Auditors**

The auditors, Riordan OSullivan & Co, Chartered Certified Accountants and Statutory Auditors are deemed to be reappointed under section 478(2) of Companies Act 2006.

This report was approved by the board on 5 March 2021 and signed on its behalf.

---

**K D Nestor**  
Director

## JJK PERSONNEL LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JJK PERSONNEL LIMITED

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#### Opinion

We have audited the financial statements of JJK Personnel Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2020, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2020 and of the Group's 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the



## **JJK PERSONNEL LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JJK PERSONNEL LIMITED (CONTINUED)**

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work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

## JJK PERSONNEL LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JJK PERSONNEL LIMITED (CONTINUED)

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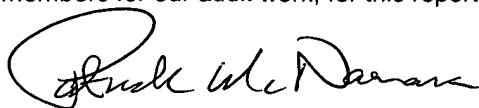
#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### Use of our report

This report is made solely to the Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members for our audit work, for this report, or for the opinions we have formed.



Patrick McNamara (Senior Statutory Auditor)  
for and on behalf of  
**Riordan O'Sullivan & Co**  
Chartered Certified Accountants and Statutory Auditors  
40 Chamberlayne Road  
London  
NW10 3JE

5 March 2021

**JJK PERSONNEL LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**


|  | Note | 2020<br>£            | 2019<br>£            |
|--|------|----------------------|----------------------|
| Turnover   | 3    | 41,506,090           | 39,813,746           |
| Cost of sales                                      |      | (35,003,131)         | (33,303,674)         |
| <b>Gross profit</b>                                |      | <b>6,502,959</b>     | <b>6,510,072</b>     |
| Administrative expenses                            |      | (4,206,632)          | (3,160,268)          |
| Other operating income                             | 4    | 3,000                | 3,000                |
| <b>Operating profit</b>                            |      | <b>2,299,327</b>     | <b>3,352,804</b>     |
| Interest payable and expenses                      | 9    | (47,283)             | (59,319)             |
| <b>Profit before taxation</b>                      |      | <b>2,252,044</b>     | <b>3,293,485</b>     |
| Tax on profit                                      | 10   | (517,371)            | (684,669)            |
| <b>Profit for the financial year</b>               |      | <b>1,734,673</b>     | <b>2,608,816</b>     |
| <br><b>Total comprehensive income for the year</b> |      | <br><b>1,734,673</b> | <br><b>2,608,816</b> |
| <b>Profit for the year attributable to:</b>        |      |                      |                      |
| Owners of the parent Company                       |      | 1,734,673            | 2,608,816            |

The notes on pages 15 to 26 form part of these financial statements.

**JK PERSONNEL LIMITED**  
**REGISTERED NUMBER:08201481**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2020**

|  | Note | 2020<br>£         | 2019<br>£        |
|--|------|-------------------|------------------|
| <b>Fixed assets</b>  |      |                   |                  |
| Tangible assets  | 12   | 52,423            | 38,326           |
|  |      | <u>52,423</u>     | <u>38,326</u>    |
| <b>Current assets</b>                                      |      |                   |                  |
| Debtors: amounts falling due within one year               | 14   | 8,474,929         | 8,953,327        |
| Cash at bank and in hand                                   | 15   | 3,479,680         | 33,698           |
|  |      | <u>11,954,609</u> | <u>8,987,025</u> |
| Creditors: amounts falling due within one year             | 16   | (5,139,849)       | (3,017,841)      |
| <b>Net current assets</b>                                  |      | <u>6,814,760</u>  | <u>5,969,184</u> |
| <b>Net assets</b>  |      | <u>6,867,183</u>  | <u>6,007,510</u> |
| <b>Capital and reserves</b>                                |      |                   |                  |
| Called up share capital                                    | 18   | 100               | 100              |
| Profit and loss account                                    |      | 6,867,083         | 6,007,410        |
| <b>Equity attributable to owners of the parent Company</b> |      | <u>6,867,183</u>  | <u>6,007,510</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 March 2021.

  
**K D Nestor**  
 Director

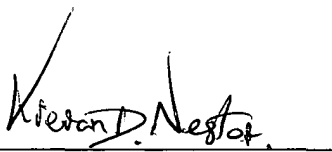
The notes on pages 15 to 26 form part of these financial statements.

**JJK PERSONNEL LIMITED**  
**REGISTERED NUMBER:08201481**

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2020**

|  | Note | 2020<br>£               | 2019<br>£               |
|--|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                            |      |                         |                         |
| Tangible assets                                | 12   | 50,382                  | 38,326                  |
| Investments                                    | 13   | 75                      | 75                      |
|  |      | <u>50,457</u>           | <u>38,401</u>           |
| <b>Current assets</b>                          |      |                         |                         |
| Debtors: amounts falling due within one year   | 14   | 8,697,592               | 8,980,560               |
| Cash at bank and in hand                       | 15   | 3,377,660               | 31,244                  |
|  |      | <u>12,075,252</u>       | <u>9,011,804</u>        |
| Creditors: amounts falling due within one year | 16   | (5,114,371)             | (3,017,127)             |
| <b>Net current assets</b>                      |      | <u>6,960,881</u>        | <u>5,994,677</u>        |
| <b>Net assets</b>                              |      | <u><u>7,011,338</u></u> | <u><u>6,033,078</u></u> |
| <b>Capital and reserves</b>                    |      |                         |                         |
| Called up share capital                        | 18   | 100                     | 100                     |
| Profit and loss account                        |      | 7,011,238               | 6,032,978               |
|  |      | <u><u>7,011,338</u></u> | <u><u>6,033,078</u></u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 March 2021.



**K D Nestor**  
Director

The notes on pages 15 to 26 form part of these financial statements.

**JJK PERSONNEL LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

|                           | <b>Called up<br/>share capital</b> | <b>Profit and<br/>loss account</b> | <b>Equity<br/>attributable<br/>to owners of<br/>parent<br/>Company</b> | <b>Total equity</b> |
|---------------------------|------------------------------------|------------------------------------|--|---------------------|
|                           | <b>£</b>                           | <b>£</b>                           | <b>£</b>   | <b>£</b>            |
| <b>At 1 April 2018</b>    | <b>100</b>                         | <b>4,248,594</b>                   | <b>4,248,694</b>   | <b>4,248,694</b>    |
| Profit for the year       | -                                  | 2,608,816                          | 2,608,816  | 2,608,816           |
| Dividends: Equity capital | -                                  | (850,000)                          | (850,000)  | (850,000)           |
| <b>At 1 April 2019</b>    | <b>100</b>                         | <b>6,007,410</b>                   | <b>6,007,510</b>   | <b>6,007,510</b>    |
| Profit for the year       | -                                  | 1,734,673                          | 1,734,673  | 1,734,673           |
| Dividends: Equity capital | -                                  | (875,000)                          | (875,000)  | (875,000)           |
| <b>At 31 March 2020</b>   | <b>100</b>                         | <b>6,867,083</b>                   | <b>6,867,183</b>   | <b>6,867,183</b>    |

The notes on pages 15 to 26 form part of these financial statements.

**JJK PERSONNEL LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

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|                           | <b>Called up<br/>share capital</b> | <b>Profit and<br/>loss account</b> | <b>Total equity</b> |
|---------------------------|------------------------------------|------------------------------------|---------------------|
|                           | <b>£</b>                           | <b>£</b>                           | <b>£</b>            |
| <b>At 1 April 2018</b>    | <b>100</b>                         | <b>4,248,594</b>                   | <b>4,248,694</b>    |
| Profit for the year       | -                                  | 2,634,384                          | 2,634,384           |
| Dividends: Equity capital | -                                  | (850,000)                          | (850,000)           |
|                           | <hr/>                              | <hr/>                              | <hr/>               |
| <b>At 1 April 2019</b>    | <b>100</b>                         | <b>6,032,978</b>                   | <b>6,033,078</b>    |
| Profit for the year       | -                                  | 1,853,260                          | 1,853,260           |
| Dividends: Equity capital | -                                  | (875,000)                          | (875,000)           |
|                           | <hr/>                              | <hr/>                              | <hr/>               |
| <b>At 31 March 2020</b>   | <b>100</b>                         | <b>7,011,238</b>                   | <b>7,011,338</b>    |

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The notes on pages 15 to 26 form part of these financial statements.

**JJK PERSONNEL LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2020**

|   | 2020<br>£        | 2019<br>£          |
|---|------------------|--------------------|
| <b>Cash flows from operating activities</b>                   |                  |                    |
| Profit for the financial year                                 | 1,734,673        | 2,608,816          |
| <b>Adjustments for:</b>                                       |                  |                    |
| Depreciation of tangible assets                               | 18,892           | 14,713             |
| Interest paid   | 47,283           | 59,319             |
| Taxation charge   | 517,371          | 684,669            |
| Decrease/(increase) in debtors                                | 478,398          | (3,027,943)        |
| Increase in creditors   | 73,987           | 403,977            |
| Corporation tax paid  | (584,669)        | (593,432)          |
| <b>Net cash generated from operating activities</b>           | <b>2,285,935</b> | <b>150,119</b>     |
| <b>Cash flows from investing activities</b>                   |                  |                    |
| Purchase of tangible fixed assets                             | (32,989)         | (25,841)           |
| <b>Net cash from investing activities</b>                     | <b>(32,989)</b>  | <b>(25,841)</b>    |
| <b>Cash flows from financing activities</b>                   |                  |                    |
| Other new loans   | 2,115,319        | -                  |
| Repayment of other loans                                      | -                | (116,742)          |
| Dividends paid  | (875,000)        | (850,000)          |
| Interest paid   | (47,283)         | (59,319)           |
| <b>Net cash used in financing activities</b>                  | <b>1,193,036</b> | <b>(1,026,061)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents</b>   | <b>3,445,982</b> | <b>(901,783)</b>   |
| Cash and cash equivalents at beginning of year                | 33,698           | 935,481            |
| <b>Cash and cash equivalents at the end of year</b>           | <b>3,479,680</b> | <b>33,698</b>      |
| <b>Cash and cash equivalents at the end of year comprise:</b> |                  |                    |
| Cash at bank and in hand                                      | 3,479,680        | 33,698             |
|   | <b>3,479,680</b> | <b>33,698</b>      |

The notes on pages 15 to 26 form part of these financial statements.



**JJK PERSONNEL LIMITED**

**CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 MARCH 2020**

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|                          | At 1 April<br>2019<br>£ | Cash flows<br>£  | At 31 March<br>2020<br>£ |
|--------------------------|-------------------------|------------------|--------------------------|
| Cash at bank and in hand | 33,698                  | 3,445,982        | 3,479,680                |
| Debt due within 1 year   | (1,558,429)             | (2,118,634)      | (3,677,063)              |
|                          | <u>(1,524,731)</u>      | <u>1,327,348</u> | <u>(197,383)</u>         |

The notes on pages 15 to 26 form part of these financial statements.

## JJK PERSONNEL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 1. General information

JJK Personnel Limited is a private company limited by shares incorporated in England and Wales. The registered office is 322 High Holborn, London, WC1V 7PB.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

##### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

##### 2.3 Going concern

The Strategic Report sets out the group's business activities and highlights the factors which may impact on its financial performance, market position and future prospects.

The Strategic Report also provides information in relation to the group's financial and liquidity position, details of its financial instruments, management of capital and exposure to credit and liquidity risk.

The group has a substantial order book for the twelve months from the date of approval of these financial statements and its forecasts indicate that it will continue to generate profit and positive cash flows for the foreseeable future.

As a consequence, the directors believe that the group has adequate resources to continue in operational existence and that it is well placed to continue to manage its business risks successfully.

Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**JJK PERSONNEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.4 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**2.5 Turnover**

The turnover shown in the financial statements represents amounts invoiced for services rendered during the year, exclusive of Value Added Tax.

**2.6 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.7 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

## JJK PERSONNEL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 2. Accounting policies (continued)

##### 2.8 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

##### 2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

|                       |                     |
|-----------------------|---------------------|
| Fixtures and fittings | - 20% straight line |
|-----------------------|---------------------|

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### 2.10 Fixed asset investments

Fixed asset investments in subsidiaries are measured at cost less accumulated impairment.

##### 2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months.

##### 2.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**JJK PERSONNEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**2. Accounting policies (continued)**

**2.13 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. Turnover**

An analysis of turnover by class of business is as follows:

|  | 2020<br>£         | 2019<br>£         |
|--|-------------------|-------------------|
| Supply of labour and trademen              | 34,071,231        | 33,933,348        |
| Supply of professional and technical staff | 7,901,133         | 6,264,384         |
| Discount allowed                           | (466,274)         | (383,986)         |
|  | <u>41,506,090</u> | <u>39,813,746</u> |

All turnover arose within the United Kingdom.

**4. Other operating income**

|                        | 2020<br>£    | 2019<br>£    |
|------------------------|--------------|--------------|
| Other operating income | <u>3,000</u> | <u>3,000</u> |

**5. Operating profit**

The operating profit is stated after charging/(crediting):

|                                       | 2020<br>£   | 2019<br>£ |
|---------------------------------------|-------------|-----------|
| Depreciation of tangible fixed assets | 18,892      | 14,713    |
| Exchange differences                  | <u>(14)</u> | <u>-</u>  |

**JJK PERSONNEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**6. Auditors' remuneration**

|   | <b>2020</b>   | <b>2019</b>  |
|---|---------------|--------------|
|   | <b>£</b>      | <b>£</b>     |
| Fees payable to the Group's auditors - audit fees | <b>10,000</b> | <b>6,000</b> |
| Taxation compliance services                      | <b>3,500</b>  | <b>-</b>     |
| Other services                                    | <b>2,500</b>  | <b>1,500</b> |
| Accountancy fees                                  | <b>6,000</b>  | <b>4,500</b> |
| Due diligent services                             | <b>7,500</b>  | <b>-</b>     |
| Payroll services                                  | <b>3,000</b>  | <b>2,500</b> |

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

|                                     | <b>Group</b>     | <b>Group</b>     | <b>Company</b>   | <b>Company</b>   |
|-------------------------------------|------------------|------------------|------------------|------------------|
|                                     | <b>2020</b>      | <b>2019</b>      | <b>2020</b>      | <b>2019</b>      |
|                                     | <b>£</b>         | <b>£</b>         | <b>£</b>         | <b>£</b>         |
| Wages and salaries                  | <b>2,514,965</b> | <b>1,960,039</b> | <b>2,343,828</b> | <b>1,954,894</b> |
| Social security costs               | <b>290,127</b>   | <b>231,212</b>   | <b>276,808</b>   | <b>230,648</b>   |
| Cost of defined contribution scheme | <b>61,628</b>    | <b>37,384</b>    | <b>61,628</b>    | <b>37,384</b>    |
|                                     | <b>2,866,720</b> | <b>2,228,635</b> | <b>2,682,264</b> | <b>2,222,926</b> |

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

|                | <b>Group</b> | <b>Group</b> | <b>Company</b> | <b>Company</b> |
|----------------|--------------|--------------|----------------|----------------|
|                | <b>2020</b>  | <b>2019</b>  | <b>2020</b>    | <b>2019</b>    |
|                | <b>No.</b>   | <b>No.</b>   | <b>No.</b>     | <b>No.</b>     |
| Directors      | <b>5</b>     | <b>3</b>     | <b>5</b>       | <b>3</b>       |
| Administration | <b>43</b>    | <b>31</b>    | <b>39</b>      | <b>30</b>      |
|                | <b>48</b>    | <b>34</b>    | <b>44</b>      | <b>33</b>      |

**JJK PERSONNEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**8. Directors' remuneration**

|   | <b>2020</b>           | <b>2019</b>           |
|---|-----------------------|-----------------------|
|   | <b>£</b>              | <b>£</b>              |
| Directors' emoluments   | <b>200,000</b>        | <b>200,000</b>        |
| Company contributions to defined contribution pension schemes | <b>6,000</b>          | <b>4,000</b>          |
|   | <b><u>206,000</u></b> | <b><u>204,000</u></b> |

During the year retirement benefits were accruing to 3 directors (2019 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £72,000 (2019 - £72,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £2,160 (2019 - £1,440).

**9. Interest payable and similar expenses**

|                                      | <b>2020</b>          | <b>2019</b>          |
|--------------------------------------|----------------------|----------------------|
|                                      | <b>£</b>             | <b>£</b>             |
| Debt factoring loan interest payable | <b><u>47,283</u></b> | <b><u>59,319</u></b> |

**10. Taxation**

|                                     | <b>2020</b>           | <b>2019</b>           |
|-------------------------------------|-----------------------|-----------------------|
|                                     | <b>£</b>              | <b>£</b>              |
| <b>Corporation tax</b>              |                       |                       |
| Current tax on profits for the year | <b><u>517,371</u></b> | <b><u>684,669</u></b> |

**JJK PERSONNEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**10. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

|  | <b>2020</b>      | <b>2019</b>      |
|--|------------------|------------------|
|  | <b>£</b>         | <b>£</b>         |
| Profit on ordinary activities before tax   | <b>2,252,044</b> | <b>3,293,485</b> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%) | <b>427,888</b>   | <b>625,762</b>   |
| <b>Effects of:</b>   |                  |                  |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment                  | <b>69,243</b>    | <b>56,163</b>    |
| Difference in capital allowances and depreciation  | <b>(2,292)</b>   | <b>(2,114)</b>   |
| Unused tax loss  | <b>22,532</b>    | <b>4,858</b>     |
| <b>Total tax charge for the year</b>   | <b>517,371</b>   | <b>684,669</b>   |

**11. Dividends**

|                       | <b>2020</b>    | <b>2019</b>    |
|-----------------------|----------------|----------------|
|                       | <b>£</b>       | <b>£</b>       |
| Interim dividend paid | <b>875,000</b> | <b>850,000</b> |
|                       | <b>875,000</b> | <b>850,000</b> |



**JJK PERSONNEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**12. Tangible fixed assets**

**Group**

|                          | <b>Fixtures and<br/>fittings</b> |
|--------------------------|----------------------------------|
|                          | <b>£</b>                         |
| <b>Cost or valuation</b> |                                  |
| At 1 April 2019          | 89,560                           |
| Additions                | 32,989                           |
| Disposals                | (31,025)                         |
|                          | <hr/>                            |
| At 31 March 2020         | 91,524                           |
|                          | <hr/>                            |
| <b>Depreciation</b>      |                                  |
| At 1 April 2019          | 51,234                           |
| Charge for the year      | 18,892                           |
| Disposals                | (31,025)                         |
|                          | <hr/>                            |
| At 31 March 2020         | 39,101                           |
|                          | <hr/>                            |
| <b>Net book value</b>    |                                  |
| At 31 March 2020         | 52,423                           |
|                          | <hr/>                            |
| At 31 March 2019         | 38,326                           |
|                          | <hr/>                            |

**JJK PERSONNEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**12. Tangible fixed assets (continued)**

**Company**

|                          | <b>Fixtures and<br/>fittings<br/>£</b> |
|--------------------------|--|
| <b>Cost or valuation</b> |  |
| At 1 April 2019          | 89,560                                 |
| Additions                | 30,657                                 |
| Disposals                | (31,025)                               |
|                          | <hr/>                                  |
| At 31 March 2020         | 89,192                                 |
|                          | <hr/>                                  |
| <b>Depreciation</b>      |  |
| At 1 April 2019          | 51,234                                 |
| Charge for the year      | 18,601                                 |
| Disposals                | (31,025)                               |
|                          | <hr/>                                  |
| At 31 March 2020         | 38,810                                 |
|                          | <hr/>                                  |
| <b>Net book value</b>    |  |
| At 31 March 2020         | 50,382                                 |
|                          | <hr/>                                  |
| At 31 March 2019         | 38,326                                 |
|                          | <hr/>                                  |

**13. Fixed asset investments**

**Company**

|                          | <b>Other fixed<br/>asset<br/>investments<br/>£</b> |
|--------------------------|--|
| <b>Cost or valuation</b> |  |
| At 1 April 2019          | 75   |
|                          | <hr/>  |
| At 31 March 2020         | 75   |
|                          | <hr/>  |

**JJK PERSONNEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**14. Debtors**

|                                    | <b>Group<br/>2020<br/>£</b> | <b>Group<br/>2019<br/>£</b> | <b>Company<br/>2020<br/>£</b> | <b>Company<br/>2019<br/>£</b> |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade debtors                      | 8,242,181                   | 8,884,715                   | 8,175,231                     | 8,884,715                     |
| Amounts owed by group undertakings | -                           | -                           | 307,370                       | 27,943                        |
| Other debtors                      | 102,194                     | 17,792                      | 95,653                        | 17,082                        |
| Prepayments and accrued income     | 130,554                     | 50,820                      | 119,338                       | 50,820                        |
|                                    | <u>8,474,929</u>            | <u>8,953,327</u>            | <u>8,697,592</u>              | <u>8,980,560</u>              |

**15. Cash and cash equivalents**

|                          | <b>Group<br/>2020<br/>£</b> | <b>Group<br/>2019<br/>£</b> | <b>Company<br/>2020<br/>£</b> | <b>Company<br/>2019<br/>£</b> |
|--------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Cash at bank and in hand | 3,479,680                   | 33,698                      | 3,377,660                     | 31,244                        |
|                          | <u>3,479,680</u>            | <u>33,698</u>               | <u>3,377,660</u>              | <u>31,244</u>                 |

**16. Creditors: Amounts falling due within one year**

|                                    | <b>Group<br/>2020<br/>£</b> | <b>Group<br/>2019<br/>£</b> | <b>Company<br/>2020<br/>£</b> | <b>Company<br/>2019<br/>£</b> |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank operating facility (secured)  | 3,673,748                   | 1,558,429                   | 3,673,748                     | 1,558,429                     |
| Trade creditors                    | 637,006                     | 863,355                     | 630,931                       | 863,355                       |
| Corporation tax                    | 107,371                     | 174,669                     | 107,371                       | 174,669                       |
| Other taxation and social security | 246,031                     | 261,474                     | 233,012                       | 260,760                       |
| Other creditors                    | 20,241                      | 8,652                       | 16,523                        | 8,652                         |
| Accruals and deferred income       | 455,452                     | 151,262                     | 452,786                       | 151,262                       |
|                                    | <u>5,139,849</u>            | <u>3,017,841</u>            | <u>5,114,371</u>              | <u>3,017,127</u>              |

The following liabilities were secured:

|                         | <b>Group<br/>2020<br/>£</b> | <b>Group<br/>2019<br/>£</b> | <b>Company<br/>2020<br/>£</b> | <b>Company<br/>2019<br/>£</b> |
|-------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank operating facility | 3,673,748                   | 1,558,429                   | 3,673,748                     | 15,584,269                    |

Details of security provided:

The bank operating facility is secured on fixed and floating charges over all assets of the company.

**JJK PERSONNEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**17. Financial instruments**

|   | <b>Group<br/>2020<br/>£</b> | <b>Group<br/>2019<br/>£</b> | <b>Company<br/>2020<br/>£</b> | <b>Company<br/>2019<br/>£</b> |
|---|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <b>Financial assets</b>   |                             |                             |                               |                               |
| Financial assets measured at fair value through profit or loss        | <b>3,479,680</b>            | <b>33,698</b>               | <b>3,377,660</b>              | <b>31,244</b>                 |
| Financial assets that are debt instruments measured at amortised cost | <b>8,344,375</b>            | <b>8,902,149</b>            | <b>8,578,254</b>              | <b>8,929,740</b>              |
|   | <b><u>11,824,055</u></b>    | <b><u>8,935,847</u></b>     | <b><u>11,955,914</u></b>      | <b><u>8,960,984</u></b>       |
| <b>Financial liabilities</b>  |                             |                             |                               |                               |
| Financial liabilities measured at amortised cost                      | <b>(4,779,680)</b>          | <b>(2,581,698)</b>          | <b>(4,754,298)</b>            | <b>(2,581,698)</b>            |

**18. Share capital**

|  | <b>2020<br/>£</b>    | <b>2019<br/>£</b>    |
|--|----------------------|----------------------|
| <b>Allotted, called up and fully paid</b>        |                      |                      |
| Nil (2019 - 100) Ordinary shares of £1.00 each   | -                    | 100.00               |
| 200 (2019 - Nil) A Ordinary shares of £0.10 each | 20.00                | -                    |
| 800 (2019 - Nil) B Ordinary shares of £0.10 each | 80.00                | -                    |
|  | <b><u>100.00</u></b> | <b><u>100.00</u></b> |

During the year, 100 ordinary shares of £1 each have been subdivided into 200 A ordinary shares and 800 B ordinary shares of £0.10 each.

**19. Pension commitments**

The Group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contribution payable by the Group to the fund and amounted to £61,628 (2019 - £37,384). Contribution totalling £4,637 (2019 - £2,736) was payable to the fund at the balance sheet date and included in creditors.

**JJK PERSONNEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**20. Related party transactions**

**a) Group companies**

The Group has taken advantage of the exemption available in accordance with Financial Reporting Standard 102, Section 33.1A, 'Related Party Disclosures' not to disclose transactions entered and outstanding balances between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

**b) Key management personnel**

The remuneration of key management personnel, who are also directors, is disclosed in note 8.

Dividend totalling £875,000 (2019 - £850,000) were paid in the year in respect of shares held by the directors.

During the year, the company paid management fees of £5,890 (2019 - £Nil) to personal companies of two directors as per agreements.

**21. Post balance sheet events**

Currently, the group encounters some impact on business activities due to Covid-19 and the directors are unable to estimate the financial effect at this stage. However, they are optimistic that with the group's strong balance sheet and its experienced team they will be able to navigate the business disruption caused by this pandemic.