

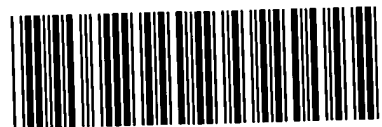
Advance Global Recruitment Limited

Registered number: SC396083

Unaudited filleted financial statements

For the year ended 31 December 2017

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ADVANCE GLOBAL RECRUITMENT LIMITED

Registered number: SC396083

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible fixed assets	4	11,910	6,104
Current assets			
Debtors: amounts falling due within one year	5	3,250,168	928,787
Cash and cash equivalents	6	267,981	120,575
		<u>3,518,149</u>	<u>1,049,362</u>
Creditors: amounts falling due within one year	7	(3,044,059)	(865,499)
Net current assets		<u>474,090</u>	<u>183,863</u>
Total assets less current liabilities		<u>486,000</u>	<u>189,967</u>
Provisions for liabilities			
Deferred tax	8	(1,765)	(1,038)
		<u>(1,765)</u>	<u>(1,038)</u>
Net assets		<u><u>484,235</u></u>	<u><u>188,929</u></u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account	10	484,135	188,829
		<u><u>484,235</u></u>	<u><u>188,929</u></u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

29/5/18

C R Taylor
Director

The notes on pages 2 to 9 form part of these financial statements.

ADVANCE GLOBAL RECRUITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Advance Global Recruitment Limited is a private company limited by shares registered in Scotland. The company's registered office and principal place of business is Unit 16, Beaverbank Business Park, Logie Mill, Edinburgh, EH7 4HG.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 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.

Depreciation is provided on the following basis:

Leasehold improvements	- 50% straight line
Fixtures, fittings & equipment	- 33% reducing balance

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

ADVANCE GLOBAL RECRUITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017.

2. Accounting policies (continued)

2.5 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 from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ADVANCE GLOBAL RECRUITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.8 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 the Statement of Income and Retained Earnings 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 Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

2.9 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.

2.10 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.11 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

ADVANCE GLOBAL RECRUITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Employee numbers

The average monthly number of employees, including directors, during the year was 18 (2016 - 14).

ADVANCE GLOBAL RECRUITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

4. Tangible fixed assets

	Leasehold improve- ments £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 January 2017	10,934	22,973	33,907
Additions	-	11,173	11,173
Disposals	(10,934)	(241)	(11,175)
At 31 December 2017	-	33,905	33,905
Depreciation			
At 1 January 2017	10,934	16,869	27,803
Charge for the year	-	5,367	5,367
Disposals	(10,934)	(241)	(11,175)
At 31 December 2017	-	21,995	21,995
Net book value			
At 31 December 2017	-	11,910	11,910
At 31 December 2016	-	6,104	6,104

5. Debtors

	2017 £	2016 £
Trade debtors	2,818,101	875,229
VAT recoverable	102,776	16,418
Prepayments and accrued income	329,291	37,140
	<u>3,250,168</u>	<u>928,787</u>

Included in trade debtors, which is stated after a provision, are balances amounting to £2,891,859 (2016 - £873,734) which are subject to an invoice finance agreement.

ADVANCE GLOBAL RECRUITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

6. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	267,981	120,575

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	20,204	79,004
Amounts owed to parent undertaking (note 13)	95,995	96,000
Corporation tax	147,304	167,135
Other taxation and social security	74,004	10,544
Other creditors (note 13)	2,706,552	512,816
	3,044,059	865,499

Included within other creditors is £2,110,632 (2016 - £375,424) drawn down under an invoice finance agreement. These amounts are secured by a floating charge.

8. Deferred taxation

	2017 £
At beginning of year	(1,038)
Movement in the year	(727)
At end of year	(1,765)

The provision for deferred taxation, which is calculated based on a tax rate of 17% (2016 - 17%), is made up as follows:

	2017 £	2016 £
Fixed asset timing differences	(2,025)	(1,038)
Short term timing differences	260	-
	(1,765)	(1,038)

ADVANCE GLOBAL RECRUITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

9. Share capital

	2017 £	2016 £
Allotted, called up and fully paid:		
100 Ordinary shares of £1 each	100	100

10. Reserves

Profit & loss account

The profit & loss account includes all prior period profits and losses net of dividends paid.

11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £34,655 (2016 - £3,000). Pension contributions outstanding at the reporting date, included in other creditors, amounted to £1,528 (2016 - £nil).

12. Commitments under operating leases

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	17,357	14,436
Later than 1 year and not later than 5 years	113,600	-
Later than 5 years	120,698	-
	<u>251,655</u>	<u>14,436</u>

13. Related party transactions

As a wholly owned subsidiary of Advance Global Recruitment (Holdings) Limited, advantage has been taken of the exemption granted by Section 1A of Financial Reporting Standard 102 not to report details of the transactions with that company.

Included within other creditors are amounts due to C R Taylor of £21,449 (2016 - £12,760) and S J Hunter of £20,232 (2016 - £12,924) respectively. The loans are interest free, unsecured and there are no fixed payment terms.

ADVANCE GLOBAL RECRUITMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

14. Ultimate parent undertaking and controlling party

The company's parent undertaking is Advance Global Recruitment (Holdings) Limited, a company registered in Scotland.

In the opinion of the directors, the company has no ultimate controlling party.