
AGENCY 2000 LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

AGENCY 2000 LIMITED

COMPANY INFORMATION

DIRECTORS

I McLaven
G Matthews

COMPANY SECRETARY

A McLaven

REGISTERED NUMBER

02987532

REGISTERED OFFICE

Sovereign House
15 Towcester Road
Milton Keynes
Buckinghamshire
MK19 6AN

INDEPENDENT AUDITORS

Thompson Balch Ltd
Chartered Accountants & Registered Auditors
Sovereign House
15 Towcester Road
Old Stratford
Milton Keynes
Buckinghamshire
MK19 6AN

AGENCY 2000 LIMITED

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AGENCY 2000 LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

BUSINESS REVIEW

The Directors review the performance of the business during the year and its position at the year end, which is consistent with the size and non-complex nature of the business and is given in the context of the risks and uncertainties the business face on a day to day basis.

As a temporary recruitment agency the company continues to provide temporary employees for larger businesses in local areas to its branches.

The company sales have maintained a consistent level despite fierce competition in the market place whilst margin was maintained too in a tough economic climate.

Profit after tax increased to £242,177 (11%) (2014: £215,469) and profit before tax increased to £310,444 (2014: £281,578).

As for many businesses of this size, the business environment in which we operate continues to be challenging. With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control.

This report was approved by the board on 15 February 2016 and signed on its behalf.

.....
G Matthews
Director

AGENCY 2000 LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the audited financial statements for the year ended 31 December 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 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.

DIVIDENDS

The directors recommended a £12.69 (2014:£12.69) per share dividend during the year.

DIRECTORS

The directors who served during the year were:

I McLaven
G Matthews

DISABLED EMPLOYEES

It is the company policy to support the employment and retention of disabled people wherever possible, to provide equal opportunities for appropriate training, career development and promotion to all employees without discrimination of any kind, and to act positively to prevent injury, ill health, damage or loss arising from operations.

AGENCY 2000 LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

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 that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that 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's auditors are aware of that information.

AUDITORS

The auditors, Thompson Balch Ltd, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

.....
I McLaven
Director

Date: 15 February 2016

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AGENCY 2000 LIMITED

We have audited the financial statements of Agency 2000 Limited for the year ended 31 December 2015, set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's 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 as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

AGENCY 2000 LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AGENCY 2000 LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mr Shaun Balch FCA (Senior statutory auditor)

for and on behalf of

Thompson Balch Ltd

Chartered Accountants
Statutory Auditors

Sovereign House
15 Towcester Road
Old Stratford
Milton Keynes
Buckinghamshire
MK19 6AN

15 February 2016

AGENCY 2000 LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
TURNOVER	1,2	10,039,550	10,174,629
Cost of sales		<u>(8,619,439)</u>	<u>(8,747,464)</u>
GROSS PROFIT		1,420,111	1,427,165
Administrative expenses		(1,128,671)	(1,208,700)
Other operating income	3	<u>19,059</u>	<u>63,133</u>
OPERATING PROFIT	4	310,499	281,598
Interest payable and similar charges	7	<u>(55)</u>	<u>(20)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		310,444	281,578
Tax on profit on ordinary activities	8	<u>(68,267)</u>	<u>(66,109)</u>
PROFIT FOR THE FINANCIAL YEAR	13	<u><u>242,177</u></u>	<u><u>215,469</u></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

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

AGENCY 2000 LIMITED
REGISTERED NUMBER: 02987532

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	9	4,368	13,750
CURRENT ASSETS			
Debtors	10	2,281,882	2,488,837
Cash at bank and in hand		<u>1,794</u>	<u>790</u>
		2,283,676	2,489,627
CREDITORS: amounts falling due within one year	11	<u>(1,865,250)</u>	<u>(2,162,760)</u>
NET CURRENT ASSETS		418,426	326,867
TOTAL ASSETS LESS CURRENT LIABILITIES		422,794	340,617
CAPITAL AND RESERVES			
Called up share capital	12	12,608	12,608
Profit and loss account	13	<u>410,186</u>	<u>328,009</u>
SHAREHOLDERS' FUNDS	14	422,794	340,617

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

.....
G Matthews
Director

.....
I McLaven
Director

Date: 15 February 2016

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

AGENCY 2000 LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	16	379,112	80,378
Returns on investments and servicing of finance	17	(55)	(20)
Taxation		(66,146)	(53,585)
Capital expenditure and financial investment	17	8,000	(9,016)
Equity dividends paid		(160,000)	(160,000)
INCREASE/(DECREASE) IN CASH IN THE YEAR		<u>160,911</u>	<u>(142,243)</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 £	2014 £
Increase/(Decrease) in cash in the year	<u>160,911</u>	<u>(142,243)</u>
MOVEMENT IN NET DEBT IN THE YEAR	<u>160,911</u>	<u>(142,243)</u>
Net debt at 1 January 2015	<u>(1,352,469)</u>	<u>(1,210,226)</u>
NET DEBT AT 31 DECEMBER 2015	<u>(1,191,558)</u>	<u>(1,352,469)</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Turnover

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

1.3 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:

S/Term Leasehold Property	-	25% reducing balance
Motor Vehicles	-	25% reducing balance
Office Equipment	-	25% reducing balance

1.4 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

A provision is not considered necessary as the amount is immaterial.

1.6 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.

The company contributes to personal pension plans of employees of the company.

AGENCY 2000 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. TURNOVER

All turnover arose within the United Kingdom.

3. OTHER OPERATING INCOME

	2015 £	2014 £
Sundry income	<u>19,059</u>	<u>63,133</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	2,044	4,843
Auditors' remuneration	11,893	11,444
Operating lease rentals:		
- plant and machinery	62,343	55,391
- other operating leases	<u>42,678</u>	<u>48,808</u>

5. STAFF COSTS

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

	2015 £	2014 £
Wages and salaries	8,839,213	8,924,847
Social security costs	349,100	431,110
Other pension costs	29,314	43,366
	<u>9,217,627</u>	<u>9,399,323</u>

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

	2015 No.	2014 No.
Management	4	4
Consultants	7	11
Temporary staff	315	398
Admin	6	3
	<u>332</u>	<u>416</u>

AGENCY 2000 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

6. DIRECTORS' REMUNERATION

	2015 £	2014 £
Remuneration	<u>32,160</u>	<u>35,027</u>
Company pension contributions to defined contribution pension schemes	<u>9,200</u>	<u>19,600</u>

During the year retirement benefits were accruing to 2 directors (2014 - 2) in respect of defined contribution pension schemes.

7. INTEREST PAYABLE

	2015 £	2014 £
On bank loans and overdrafts	<u>55</u>	<u>20</u>

8. TAXATION

	2015 £	2014 £
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	68,267	66,146
Adjustments in respect of prior periods	-	(37)
	<u>68,267</u>	<u>66,109</u>
Tax on profit on ordinary activities		
	<u>68,267</u>	<u>66,109</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>310,444</u>	<u>281,578</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	68,267	66,146
Effects of:		
Adjustments to tax charge in respect of prior periods	-	(37)
Current tax charge for the year (see note above)	<u>68,267</u>	<u>66,109</u>

AGENCY 2000 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

9. TANGIBLE FIXED ASSETS

	S/Term Leasehold Property £	Motor Vehicles £	Office Equipment £	Total £
Cost				
At 1 January 2015	12,029	22,814	112,449	147,292
Disposals	-	(10,674)	-	(10,674)
At 31 December 2015	12,029	12,140	112,449	136,618
Depreciation				
At 1 January 2015	11,940	13,706	107,896	133,542
Charge for the year	23	889	1,132	2,044
On disposals	-	(3,336)	-	(3,336)
At 31 December 2015	11,963	11,259	109,028	132,250
Net book value				
At 31 December 2015	66	881	3,421	4,368
At 31 December 2014	89	9,108	4,553	13,750

10. DEBTORS

	2015 £	2014 £
Trade debtors	2,014,086	2,260,364
Other debtors	147,117	203,693
Prepayments and accrued income	120,679	24,780
	<u>2,281,882</u>	<u>2,488,837</u>

AGENCY 2000 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

11. CREDITORS:

Amounts falling due within one year

	2015	2014
	£	£
Bank loans and overdrafts	1,193,352	1,353,259
Corporation tax	68,267	66,146
Other taxation and social security	484,671	667,158
Other creditors	27,257	17,990
Accruals and deferred income	91,703	58,207
	<u>1,865,250</u>	<u>2,162,760</u>

Barclays Bank PLC holds a debenture dated 5 November 1996.

G Matthews and Mr I McLaven have given a personal guarantee for the sum of £20,000.

Mr

12. SHARE CAPITAL

	2015	2014
	£	£
Allotted, called up and fully paid		
12,608 Ordinary shares of £1 each	<u>12,608</u>	<u>12,608</u>

13. RESERVES

	Profit and loss account £
At 1 January 2015	328,009
Profit for the financial year	242,177
Dividends: Equity capital	(160,000)
At 31 December 2015	<u>410,186</u>

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015	2014
	£	£
Opening shareholders' funds	340,617	285,148
Profit for the financial year	242,177	215,469
Dividends (Note 15)	<u>(160,000)</u>	<u>(160,000)</u>
Closing shareholders' funds	<u>422,794</u>	<u>340,617</u>

AGENCY 2000 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

15. DIVIDENDS

	2015	2014
	£	£
Dividends paid on equity capital	<u>160,000</u>	<u>160,000</u>

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Operating profit	310,499	281,598
Depreciation of tangible fixed assets	2,044	(4,841)
Profit on disposal of tangible fixed assets	(662)	-
Decrease/(increase) in debtors	206,953	(353,204)
(Decrease)/increase in creditors	(139,722)	156,825
Net cash inflow from operating activities	<u>379,112</u>	<u>80,378</u>

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015	2014
	£	£
Returns on investments and servicing of finance		
Interest paid	<u>(55)</u>	<u>(20)</u>
	2015	2014
	£	£
Capital expenditure and financial investment		
Purchase of tangible fixed assets	-	(10,674)
Sale of tangible fixed assets	8,000	1,658
Net cash inflow/(outflow) from capital expenditure	<u>8,000</u>	<u>(9,016)</u>

AGENCY 2000 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

18. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2015 £	Cash flow £	Other non-cash changes £	31 December 2015 £
Cash at bank and in hand	790	1,004	-	1,794
Bank overdraft	(1,353,259)	159,907	-	(1,193,352)
Net debt	(1,352,469)	160,911	-	(1,191,558)

19. 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 £29,314 (2014: £43,366).

20. OPERATING LEASE COMMITMENTS

At 31 December 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2015 £	2014 £	Other 2015 £	2014 £
Expiry date:				
Within 1 year	35,600	35,600	42,343	34,450
Between 2 and 5 years	-	-	51,220	35,391

21. RELATED PARTY TRANSACTIONS

During the year a dividend of £80,000 was paid to Mr G Matthews and Mr I McIven both are directors of the company. During the year there was a demerger and a new company was created. The Staffroom Agency Limited is related by common ownership and control. At the balance sheet date the amount owing to Agency 2000 Limited amounted to £107,648.