

## Compass Limited

Report and Financial Statements

Year Ended

31 December 2008

Company Number 01714804

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# **Compass Limited**

**Annual report and financial statements  
for the year ended 31 December 2008**

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## **Directors**

D Toop  
O S Soderblom  
R M Brown  
D J L Whitmore

## **Secretary and registered office**

D Toop, Compass House, 60 Priestly Road, Guildford, Surrey, GU2 5YU

## **Company number**

01714804

## **Auditors**

BDO Stoy Hayward LLP, Emerald House, East Street, Epsom, Surrey, KT17 1HS

# Compass Limited

## Report of the directors for the year ended 31 December 2008

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The directors present their report together with the audited financial statements for the year ended 31 December 2008.

### Results

The profit and loss account is set out on page 5 and shows the loss for the year.

### Principal activities

The company's principal activity is that of the provision of group services.

### Directors

The directors of the company during the year were:

D Toop  
O S Soderblom  
R M Brown  
D J L Whitmore (Appointed 1 September 2008)

### Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Compass Limited

## Report of the directors for the year ended 31 December 2008 (*continued*)

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### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

This directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

### On behalf of the board

R M Brown

Director

Date:

11.01.09.

# Compass Limited

## Independent auditor's report

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### To the shareholders of Compass Limited

We have audited the financial statements of Compass Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### *Respective responsibilities of directors and auditors*

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with those financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

#### *Basis of audit opinion*

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# Compass Limited

## Independent auditor's report (*continued*)

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### *Opinion*

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



**BDO STOY HAYWARD LLP**

*Chartered Accountants  
and Registered Auditors  
Epsom*

Date: 2 October 2009

# Compass Limited

## Profit and loss account for the year ended 31 December 2008

	Note	2008 £	2007 £
<b>Turnover</b>	2	4,514,150	3,659,523
Other operating income		262,534	192,045
Staff costs		1,832,440	1,697,938
Depreciation and other amounts written off fixed assets		47,766	31,394
Other operating charges		3,017,515	2,073,891
		<hr/>	<hr/>
<b>Operating (loss)/profit</b>	3	(121,037)	48,345
Other interest receivable and similar income	5	63,236	2,332
Interest payable and similar charges		(3,941)	(22,530)
		<hr/>	<hr/>
<b>(Loss)/profit on ordinary activities before and after taxation for the financial year</b>		<b>(61,742)</b>	<b>28,147</b>
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

The notes on pages 7 to 12 form part of these financial statements.

# Compass Limited

## Balance sheet at 31 December 2008

Company number 01714804	Note	2008 £	2008 £	2007 £	2007 £
<b>Fixed assets</b>					
Tangible assets	7		78,465		76,614
<b>Current assets</b>					
Debtors	8	5,208,380		4,102,332	
Cash at bank and in hand		37,352		2,905	
		<u>5,245,732</u>		<u>4,105,237</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>4,670,750</u>		<u>3,466,662</u>	
<b>Net current assets</b>			<u>574,982</u>		<u>638,575</u>
<b>Total assets less current liabilities</b>			<u>653,447</u>		<u>715,189</u>
<b>Capital and reserves</b>					
Called up share capital	11		1,000		1,000
Profit and loss account	12		<u>652,447</u>		<u>714,189</u>
<b>Shareholders' funds</b>	13		<u>653,447</u>		<u>715,189</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board of directors and authorised for issue on 1 October 2009

Director  
R M BROWN

The notes on pages 7 to 12 form part of these financial statements.



# Compass Limited

## Notes forming part of the financial statements for the year ended 31 December 2008

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### 1 Accounting policies

The financial statements have been prepared under the historical cost convention.

The following principal accounting policies have been applied:

#### *The going concern basis of preparation*

The financial statements have been prepared on a going concern basis. The company is dependent on other group companies for its turnover and in considering the appropriateness of the going concern assumption the directors have taken into consideration:

1. Facilities available to the group including facilities obtained subsequent to the year end; and
2. An undertaking from the group's principal lender that it will not make any demand or take other action to recover its borrowings prior to 31 December 2010 that causes the group to be in a position where it will not be able to meet its liabilities as they fall due.

The directors are confident that these factors will enable the company and the group to have sufficient funding to continue as going concerns. No adjustments have been made to the carrying values of both assets and liabilities, that would be required were the going concern assumption inappropriate

#### *Turnover*

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

#### *Depreciation*

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Fixtures, fittings & equipment	- 20% on a reducing balance basis per annum
Computer equipment	- 33.3% on a straight-line basis per annum

#### *Foreign currency*

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the profit and loss account.

#### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### *Leased assets*

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

#### *Pension costs*

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

# Compass Limited

## Notes forming part of the financial statements for the year ended 31 December 2008 (continued)

### 1 Accounting policies (continued)

#### Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

#### Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8, 'Related party disclosures', not to disclose transactions with members or investees of the group headed by Compass Consulting Group Holdings Limited on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

### 2 Turnover

The proportion of turnover that is attributable to markets outside the United Kingdom is 81.76% (2007 - 59.8%).

### 3 Operating (loss)/profit

	2008 £	2007 £
This is arrived at after charging:		
Depreciation of tangible fixed assets	47,766	31,394
Hire of plant and machinery - operating leases	348,875	348,875
Auditors' remuneration - fees payable to the company's auditor for the audit of the company's annual accounts	12,000	12,000
Exchange differences	89,336	46,969
	<u>          </u>	<u>          </u>

### 4 Directors' remuneration

	2008 £	2007 £
Aggregate emoluments, pension contributions and amounts receivable under long term incentive schemes	283,279	264,262
	<u>          </u>	<u>          </u>

There were 2 directors in the company's defined contribution pension scheme during the year (2007 - 3).

# Compass Limited

Notes forming part of the financial statements  
for the year ended 31 December 2008 (continued)

## 5 Other interest receivable and similar income

	2008 £	2007 £
Bank deposits	1,581	2,332
Loans to group companies	61,655	-
	<u>63,236</u>	<u>2,332</u>

## 6 Taxation on (loss)/profit on ordinary activities

The tax assessed for the year is higher than/lower than the standard rate of corporation tax in the UK applied to (loss)/profit before tax.

	2008 £	2007 £
(Loss)/profit on ordinary activities before tax	<u>(61,742)</u>	<u>28,147</u>
(Loss)/profit on ordinary activities at the standard rate of corporation tax in the UK of 28% (2007 - 30%)	(17,288)	8,444
Effect of:		
Expenses not deductible for tax purposes	4,075	646
Depreciation for period in excess/(deficit) of capital allowances	4,778	(2,828)
Utilisation of group tax losses	-	(1,751)
Losses carried forward	5,272	-
Provisions adjustment	3,163	(4,511)
	<u>-</u>	<u>-</u>
Current tax charge for the year	-	-

# Compass Limited

Notes forming part of the financial statements  
for the year ended 31 December 2008 (*continued*)

## 7 Tangible fixed assets

	Plant and machinery etc £
<i>Cost or valuation</i>	
At 1 January 2008	155,147
Additions	49,617
	<hr/>
At 31 December 2008	204,764
	<hr/>
<i>Depreciation</i>	
At 1 January 2008	78,533
Provided for the year	47,766
	<hr/>
At 31 December 2008	126,299
	<hr/>
<i>Net book value</i>	
At 31 December 2008	78,465
	<hr/>
At 31 December 2007	76,614
	<hr/>

## 8 Debtors

	2008 £	2007 £
Trade debtors	33,892	6,914
Amounts owed by group undertakings	4,860,366	3,943,006
Other debtors	314,122	152,412
	<hr/>	<hr/>
	5,208,380	4,102,332
	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year.

# Compass Limited

## Notes forming part of the financial statements for the year ended 31 December 2008 (continued)

### 9 Creditors: amounts falling due within one year

	2008 £	2007 £
Trade creditors	282,166	366,196
Amounts owed to group undertakings	3,973,090	2,875,257
Taxation and social security	105,164	64,020
Other creditors	310,330	161,189
	<u>4,670,750</u>	<u>3,466,662</u>

### 10 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £74,446 (2007 - £47,248). Contributions amounting to £14,257 (2007 - £10,759) were payable to the fund and are included in creditors.

### 11 Share capital

	2008 £	2007 £
<i>Authorised</i>		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
	2008 £	2007 £
<i>Allotted, called up and fully paid</i>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

### 12 Reserves

	Profit and loss account £
At 1 January 2008	714,189
Loss for the year	(61,742)
	<u>652,447</u>
At 31 December 2008	

# Compass Limited

Notes forming part of the financial statements  
for the year ended 31 December 2008 *(continued)*

## 13 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
(Loss)/profit for the year	(61,742)	28,147
Opening shareholders' funds	715,189	687,042
Closing shareholders' funds	653,447	715,189

## 14 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2008 £	Land and buildings 2007 £
Operating leases which expire:		
In two to five years	348,875	348,875

## 15 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary of Compass Holding BV, a company incorporated in the Netherlands. The ultimate parent company is Compass Consulting Group Holdings Limited, incorporated in England and Wales.

The largest and smallest group in which the results of the company are consolidated is that headed by Compass Consulting Group Holding Limited. The consolidated accounts of this company are available to the public and may be obtained from the Registrar of Companies, Cardiff CF4 1UZ. No other group accounts include the results of the company.