

**Compass Limited****Report and Financial Statements****Year Ended****31 December 2007**

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**BDO****BDO Stoy Hayward**  
Chartered Accountants



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**Compass Limited****Annual report and financial statements for the year ended 31 December 2007**

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**Directors**

D Toop  
O S Soderblom  
R M Brown

**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 2007**

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The directors present their report together with the audited financial statements for the year ended 31 December 2007

#### **Results**

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

#### **Principal activities**

The company's principal activity is that of consultancy

#### **Directors**

The directors of the company during the year were

D Toop	
O S Soderblom	
J Stembridge	(Resigned 12 July 2007)
R M Brown	(Appointed 1 September 2007)

#### **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 2007 (*Continued*)**

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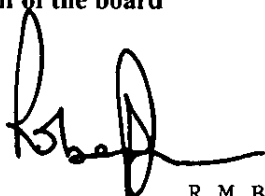
**Auditors**

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 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**



**Director**

R M BROWN

Date

26/01/08.



## 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 2007 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.

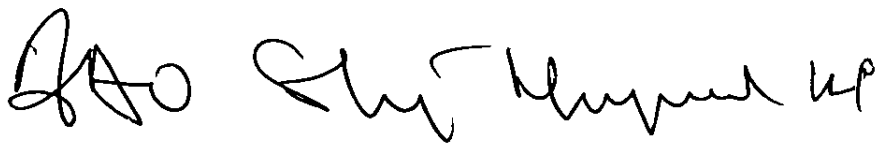
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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



*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 2007 and of its profit 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 29 October 2008



**Compass Limited****Profit and loss account for the year ended 31 December 2007**

	Note	2007 £	2006 £
Turnover	2	3,659,522	2,955,799
Net operating costs	3	3,611,178	2,853,204
		<hr/>	<hr/>
Operating profit	4	48,344	102,595
Interest receivable and similar income		2,332	1,395
Interest payable and similar charges		(22,530)	(4,510)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		28,146	99,480
Taxation on profit on ordinary activities	6	-	36,904
		<hr/>	<hr/>
Profit on ordinary activities after taxation		28,146	62,576
		<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

There are no movements in shareholders' funds in the current and prior year apart from the profit for the year

The notes on pages 7 to 13 form part of these financial statements



**Compass Limited**

**Balance sheet at 31 December 2007**

	Note	2007 £	2007 £	2006 £	2006 £
<b>Fixed assets</b>					
Tangible assets	7		76,614		40,887
<b>Current assets</b>					
Debtors	8	3,782,331		3,114,789	
Cash at bank and in hand		2,905		153,998	
		3,785,236		3,268,787	
<b>Creditors: amounts falling due within one year</b>	9	3,146,662		2,622,632	
<b>Net current assets</b>			638,574		646,155
<b>Total assets less current liabilities</b>			715,188		687,042
<b>Capital and reserves</b>					
Called up share capital	10		1,000		1,000
Profit and loss account	11		714,188		686,042
<b>Shareholders' funds</b>			715,188		687,042

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 26 October 2008

Director



R M BROWN

Director

The notes on pages 7 to 13 form part of these financial statements



## 1 Accounting policies

The financial statements have been prepared under the historical cost convention

The following principal accounting policies have been applied

### *Change of Profit and Loss Account format*

The company has changed the presentation of the profit and loss account to Companies Act Format 2, in accordance with the presentation in its new parent undertaking

### *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

### *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 dates. 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

Deferred tax balances are not discounted



## Compass Limited

### Notes forming part of the financial statements for the year ended 31 December 2007 (*Continued*)

#### 1 Accounting policies (*continued*)

##### *Leased assets*

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals 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.

##### *Related party disclosure*

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 59.8% (2006 - 63.5%).

#### 3 Net operating costs

	2007 £	2006 £
Staff costs	1,697,938	1,604,617
Depreciation and other amounts written off fixed assets	31,394	24,838
Other operating income	(192,045)	(211,061)
Other operating charges	2,073,891	1,434,810
	<u>3,611,178</u>	<u>2,853,204</u>



**Compass Limited****Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)**

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**4 Operating profit**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
This is arrived at after charging		
Depreciation of tangible fixed assets	<b>31,394</b>	24,838
Hire of other assets - operating leases	<b>348,875</b>	348,875
Audit services	<b>12,000</b>	13,516
Exchange differences	<b>46,969</b>	21,154
	<u><b>          </b></u>	<u><b>          </b></u>

**5 Directors' remuneration**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Aggregate emoluments, pension contributions and amounts receivable under long term incentive schemes	<b>264,262</b>	195,120
	<u><b>          </b></u>	<u><b>          </b></u>

There were 3 directors in the company's defined contribution pension scheme during the year (2006 - 2)



**Compass Limited****Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)****6 Taxation on profit on ordinary activities**

	2007 £	2006 £
<i>UK Corporation tax</i>		
Group relief	-	36,904
	<u>          </u>	<u>          </u>

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	2007 £	2006 £
Profit on ordinary activities before tax	28,146	99,480
	<u>          </u>	<u>          </u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2006 - 30%)	8,444	29,844
Effect of:		
Expenses not deductible for tax purposes	646	1,025
Capital allowances for period in excess of depreciation	(2,828)	6,035
Provisions adjustment	(4,511)	-
Utilisation of group tax losses	(1,751)	(36,904)
Payment for group relief	-	36,904
	<u>          </u>	<u>          </u>
Current tax charge for period	-	36,904
	<u>          </u>	<u>          </u>



# Compass Limited

Notes forming part of the financial statements for the year ended 31 December 2007 (*Continued*)

## 7 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer equipment £	Total £
<i>Cost</i>			
At 1 January 2007	5,083	82,943	88,026
Additions	2,582	64,539	67,121
	<hr/>	<hr/>	<hr/>
At 31 December 2007	<b>7,665</b>	<b>147,482</b>	<b>155,147</b>
<i>Depreciation</i>			
At 1 January 2007	3,534	43,605	47,139
Provided for the year	444	30,950	31,394
	<hr/>	<hr/>	<hr/>
At 31 December 2007	<b>3,978</b>	<b>74,555</b>	<b>78,533</b>
<i>Net book value</i>			
At 31 December 2007	<b>3,687</b>	<b>72,927</b>	<b>76,614</b>
	<hr/>	<hr/>	<hr/>
At 31 December 2006	1,549	39,338	40,887
	<hr/>	<hr/>	<hr/>

## 8 Debtors

	2007 £	2006 £
Trade debtors	6,914	5,826
Amounts owed by group undertakings	3,623,005	2,944,030
Other debtors	152,412	164,933
	<hr/>	<hr/>
	<b>3,782,331</b>	<b>3,114,789</b>
	<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 2007 (Continued)****9 Creditors: amounts falling due within one year**

	2007 £	2006 £
Trade creditors	366,196	156,684
Amounts owed to group undertakings	2,555,257	2,242,111
Taxation and social security	64,020	74,580
Other creditors	161,189	149,257
	<u>3,146,662</u>	<u>2,622,632</u>

**10 Share capital**

	2007 £	2006 £
<i>Authorised</i>		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
	2007 £	2006 £
<i>Allotted, called up and fully paid</i>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

**11 Reserves**

	Profit and loss account £
At 1 January 2007	686,042
Profit for the year	28,146
	<u>714,188</u>
At 31 December 2007	<u>714,188</u>



## Compass Limited

### Notes forming part of the financial statements for the year ended 31 December 2007 (*Continued*)

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#### 12 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 £47,248 (2006 - £40,709). Contributions amounting to £10,759 (2006 - £10,651) were payable to the fund and are included in creditors.

#### 13 Commitments under operating leases

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

	2007 Land and buildings £	2006 Land and buildings £
Operating leases which expire		
In two to five years	348,875	348,875

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

The company is a subsidiary of Compass Holding BV 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.