

# REGISTRAR'S COPY

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Report of the Directors and  
Consolidated Financial Statements for the Year Ended 31 December 2012  
for  
Scantec Personnel Limited

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Contents of the Consolidated Financial Statements  
for the Year Ended 31 December 2012

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	5
Consolidated Profit and Loss Account	6
Consolidated Balance Sheet	7
Company Balance Sheet	8
Consolidated Cash Flow Statement	9
Notes to the Consolidated Cash Flow Statement	10
Notes to the Consolidated Financial Statements	11
Consolidated Trading and Profit and Loss Account	19

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**Scantec Personnel Limited**

**Company Information**  
**for the Year Ended 31 December 2012**

**DIRECTORS:**

J E Robinson  
P J Bates  
Mrs P F Robinson  
Ms V Lawton  
Mrs K Bates  
A Spelman

**SECRETARY**

Mrs P F Robinson

**REGISTERED OFFICE:**

Spinnaker House  
Morpeth Wharf  
Twelve Quays  
Birkenhead  
Merseyside  
CH41 1LF

**REGISTERED NUMBER**

02450519 (England and Wales)

**AUDITORS**

Lerman Quaile Limited  
56 Hamilton Square  
Birkenhead  
Merseyside  
CH41 5AS

Report of the Directors  
for the Year Ended 31 December 2012

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2012

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of specialist technical engineering recruitment for the provision of temporary assignments and permanent placements in the UK and overseas

**REVIEW OF BUSINESS**

The 12 months trading for the period ending 31st December 2012 showed good growth in line with growing confidence over economic conditions

The overall turnover for the 12 month period 2012 was £53.9m (2011 £49.5m) being an 8.9% increase compared to the previous year

The temporary contract staffing areas of the business grew by 5.9% although gross margins continued to be squeezed due to tighter market conditions and low margin, high volume contracts

The permanent placement sales increased significantly compared to the previous year and helped overall gross margins to improve by 6.9%

Tight control was maintained over operating costs although these did increase due to additional investment in new staff and IT infrastructure as well as increased business activity

The company's balance sheet and cash flow position remain strong

Taking into account the slow economic recovery and market conditions, the Company's performance has been very encouraging and has experienced good growth in 2012. The Company has continued to see growth in various sectors of the business, as organisations show increasing confidence and numbers increase. Early indications show a positive and much improved performance during 2013.

**Principle Risks**

The following have been identified as the main risks that could potentially impact on the business, its operations and financial performance

**Staff**

The performance of the business relies on the effectiveness of its staff to build successful client relationships and deliver quality services, both internal and external throughout the business. We aim to attract, develop and retain committed staff through career development programmes, on-going training, attractive remuneration packages and open honest communication throughout all levels of the business. We strive to encourage employee satisfaction and mitigate the risk of non-retention.

**Economic environment**

With the recruitment industry being susceptible to changes in the economic and regulatory environment, through the increasing levels of regulation and legislation, the Company seeks to manage this risk through the monitoring of our markets and its behaviour. A strict strategy of compliance will be adhered to providing our clients with a quality service. The financial impact on revenues and margins are reviewed regularly, with a focus on maintaining pricing strategy and improving gross margins.

**Legislation**

With the introduction of the Agency Workers Regulations (AWR) on the 1st October 2011, the Company proactively assessed the regulations key provisions and the implications towards the business and its clients. The Company was able to implement the new legislation with little disruption, all workers within the scope receiving the correct equal treatment, pay and working conditions. The HMRC RTI legislation made little impact on the Company as the new procedures were implemented with ease.

Report of the Directors  
for the Year Ended 31 December 2012

**IT**

The Company relies heavily on its IT systems and any disruption could potentially be costly, both financially and also in terms of security and compliance. In order to mitigate the IT risk, the system and its suppliers are periodically reviewed and upgraded. The Company made the decision to engage a larger firm of IT support consultants which has provided a higher level of coverage.

**Treasury**

The Company's cash flow and its finances are stable and currently has little borrowings. Any financial risk would be due to suffering a significant bad debt, especially within the current economic environment. The Company seeks to minimise such risk with strict credit control guidelines, credit terms are only granted to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. The amount of foreign currency risk exposure is minimal.

**Prospects**

We expect to see increased growth in both permanent and temporary contract sales during 2013, which will improve both gross margins and net operating performance. The Company also expects to invest in additional staff to service expanding markets.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 December 2012 will be £600,000.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report.

J E Robinson  
P J Bates  
Mrs P F Robinson  
Ms V Lawton  
Mrs K Bates  
A Spelman

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year the company contributed £5,944 to charities and various sponsorships which contributed in raising funds for the welfare and health of children.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 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 and then apply them consistently,
- make judgements 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Scantec Personnel Limited

Report of the Directors  
for the Year Ended 31 December 2012

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information

**AUDITORS**

The auditors, Lerman Quaile Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD**

A handwritten signature in black ink, appearing to be 'V Lawton', written over a horizontal line.

Ms V Lawton - Director

17 September 2013

Report of the Independent Auditors to the Members of  
Scantec Personnel Limited

We have audited the financial statements of Scantec Personnel Limited for the year ended 31 December 2012 on pages six to eighteen. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, 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 group's and the parent 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 Report of the Directors to identify material inconsistencies with the audited financial statements. 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 group's and of the parent company's affairs as at 31 December 2012 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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 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.



Graham Potts FCA (Senior Statutory Auditor)  
for and on behalf of Lerman Quaile Limited  
56 Hamilton Square  
Birkenhead  
Merseyside  
CH41 5AS

17 September 2013

Scantec Personnel Limited

Consolidated Profit and Loss Account  
for the Year Ended 31 December 2012

	Notes	31 12 12 £	31 12 11 £
<b>TURNOVER</b>		53,922,800	49,506,344
Cost of sales		<u>49,903,373</u>	<u>46,039,791</u>
<b>GROSS PROFIT</b>		4,019,427	3,466,553
Administrative expenses		<u>2,862,617</u>	<u>2,637,171</u>
<b>OPERATING PROFIT</b>	3	1,156,810	829,382
Interest receivable and similar income		<u>665</u>	<u>1,738</u>
		1,157,475	831,120
Interest payable and similar charges	4	<u>145,516</u>	<u>131,622</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,011,959	699,498
Tax on profit on ordinary activities	5	<u>255,038</u>	<u>180,852</u>
<b>PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP</b>		<u><u>756,921</u></u>	<u><u>518,646</u></u>

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

**Consolidated Balance Sheet**  
**31 December 2012**

	Notes	31 12 12 £	£	31 12 11 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		66,863		87,137
Investments	9		-		-
			66,863		87,137
<b>CURRENT ASSETS</b>					
Debtors	10	5,129,378		4,928,648	
Prepayments and accrued income		66,997		36,627	
Cash at bank and in hand		68,881		39,567	
		5,265,256		5,004,842	
<b>CREDITORS</b>					
Amounts falling due within one year	11	4,118,543		4,035,324	
<b>NET CURRENT ASSETS</b>			1,146,713		969,518
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,213,576		1,056,655
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		100		100
Profit and loss account	16		1,213,476		1,056,555
<b>SHAREHOLDERS' FUNDS</b>	20		1,213,576		1,056,655

The financial statements were approved by the Board of Directors on 17 September 2013 and were signed on its behalf by

P J Bates - Director



J E Robinson - Director



The notes form part of these financial statements

Company Balance Sheet

31 December 2012

	Notes	31 12 12 £	£	31 12 11 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		66,863		87,137
Investments	9		<u>201</u>		<u>200</u>
			67,064		87,337
<b>CURRENT ASSETS</b>					
Debtors	10	5,129,378		4,928,648	
Prepayments and accrued income		66,997		36,627	
Cash at bank and in hand		<u>68,881</u>		<u>39,367</u>	
		5,265,256		5,004,642	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>4,118,744</u>		<u>4,035,324</u>	
<b>NET CURRENT ASSETS</b>			<u>1,146,512</u>		<u>969,318</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,213,576</u>		<u>1,056,655</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		100		100
Profit and loss account	16		<u>1,213,476</u>		<u>1,056,555</u>
<b>SHAREHOLDERS' FUNDS</b>	20		<u>1,213,576</u>		<u>1,056,655</u>

The financial statements were approved by the Board of Directors on 17 September 2013 and were signed on its behalf by

J E Robinson - Director

P J Bates - Director

The notes form part of these financial statements

**Scantec Personnel Limited**

**Consolidated Cash Flow Statement  
for the Year Ended 31 December 2012**

	Notes	31 12 12 £	31 12 11 £
<b>Net cash inflow/(outflow) from operating activities</b>	1	1,198,344	(155,770)
<b>Returns on investments and servicing of finance</b>	2	(144,851)	(129,884)
<b>Taxation</b>		(236,590)	(220,051)
<b>Capital expenditure</b>	2	(9,741)	(56,067)
<b>Equity dividends paid</b>		<u>(600,000)</u>	<u>-</u>
		207,162	(561,772)
<b>Financing</b>	2	<u>19,782</u>	<u>(1,201,595)</u>
<b>Increase/(decrease) in cash in the period</b>		<u>226,944</u>	<u>(1,763,367)</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
Increase/(decrease) in cash in the period		<u>226,944</u>	<u>(1,763,367)</u>
Change in net debt resulting from cash flows		<u>226,944</u>	<u>(1,763,367)</u>
<b>Movement in net debt in the period</b>		226,944	(1,763,367)
<b>Net debt at 1 January</b>		<u>(1,849,962)</u>	<u>(86,595)</u>
<b>Net debt at 31 December</b>		<u>(1,623,018)</u>	<u>(1,849,962)</u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement  
for the Year Ended 31 December 2012

**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

	31 12 12	31 12 11
	£	£
Operating profit	1,156,810	829,382
Depreciation charges	30,015	33,144
Increase in debtors	(228,400)	(966,593)
Increase/(decrease) in creditors	<u>239,919</u>	<u>(51,703)</u>
<b>Net cash inflow/(outflow) from operating activities</b>	<b><u>1,198,344</u></b>	<b><u>(155,770)</u></b>

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31 12 12	31 12 11
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	665	1,738
Interest paid	<u>(145,516)</u>	<u>(131,622)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b><u>(144,851)</u></b>	<b><u>(129,884)</u></b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	<u>(9,741)</u>	<u>(56,067)</u>
<b>Net cash outflow for capital expenditure</b>	<b><u>(9,741)</u></b>	<b><u>(56,067)</u></b>
<b>Financing</b>		
Amount withdrawn by directors	-	(1,000,000)
Amounts owed to connected companies	<u>19,782</u>	<u>(201,595)</u>
<b>Net cash inflow/(outflow) from financing</b>	<b><u>19,782</u></b>	<b><u>(1,201,595)</u></b>

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 1 12	Cash flow	At
	£	£	31 12 12
			£
Net cash			
Cash at bank and in hand	39,567	29,314	68,881
Bank overdrafts	<u>(1,889,529)</u>	<u>197,630</u>	<u>(1,691,899)</u>
	<u>(1,849,962)</u>	<u>226,944</u>	<u>(1,623,018)</u>
<b>Total</b>	<b><u>(1,849,962)</u></b>	<b><u>226,944</u></b>	<b><u>(1,623,018)</u></b>

Notes to the Consolidated Financial Statements  
for the Year Ended 31 December 2012

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention

**Turnover**

Turnover represents net invoiced sales in respect of the supply of temporary staff, excluding value added tax, except in respect of the supply of permanent staff placements where turnover is recognised when the individuals signed employment contract is received and a right to consideration is then obtained

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Improvements to property	- at varying rates on cost
Fixtures and fittings	- at varying rates on cost
Motor vehicles	- 25% on cost

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

**Hire purchase and leasing commitments**

Assets obtained under hire purchase and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit and loss account so far as to produce constant periodic rates of charge on the net obligations in each period

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate

**Employee benefit trusts (ebts)**

The company has established trusts for the benefit of employees and certain of their dependants. Monies held in these trusts are held by independent trustees and managed at their discretion

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals

Where monies held in a trust are determined by the company on the basis of employees' past services and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate

**2 STAFF COSTS**

	31 12 12	31 12 11
	£	£
Wages and salaries	2,005,157	1,662,423
Other pension costs	36,297	36,124
	<u>2,041,454</u>	<u>1,698,547</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2012

2 STAFF COSTS - continued

The average monthly number of employees during the year was as follows

	31 12 12	31 12 11
Management and administration	16	17
Recruitment	<u>32</u>	<u>30</u>
	<u>48</u>	<u>47</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	31 12 12	31 12 11
	£	£
Hire of plant and machinery	2,073	2,245
Other operating leases	41,698	31,021
Depreciation - owned assets	30,015	33,144
Auditors' remuneration	<u>9,000</u>	<u>8,500</u>
Directors' remuneration	<u>356,107</u>	<u>200,315</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>2</u>	<u>2</u>
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Information regarding the highest paid director is as follows

	31 12 12	31 12 11
	£	£
Emoluments etc	<u>150,000</u>	<u>120,000</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	31 12 12	31 12 11
	£	£
Bank interest	387	-
Invoice discounting interest	8,276	3,243
Loan	<u>136,853</u>	<u>128,379</u>
	<u>145,516</u>	<u>131,622</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2012

**5 TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	31 12 12 £	31 12 11 £
Current tax		
UK corporation tax	<u>255,038</u>	<u>180,852</u>
Tax on profit on ordinary activities	<u>255,038</u>	<u>180,852</u>

UK corporation tax has been charged at 24.50% (2011 - 26.50%)

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	31 12 12 £	31 12 11 £
Profit on ordinary activities before tax	<u>1,011,959</u>	<u>699,498</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.497% (2011 - 26.493%)	247,900	185,318
Effects of		
Expenses not deductible for tax purposes	5,565	6,289
Capital allowances in excess of depreciation	-	(10,755)
Depreciation in excess of capital allowances subsidiary company	1,573	-
Current tax charge	<u>255,038</u>	<u>180,852</u>

**6 PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £156,921 (2011 - £518,646)

**7 DIVIDENDS**

An interim dividend of £600,000 (2011 £Nil) was paid by Scantec Resources Limited on its Ordinary B share of £1

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2012

**8 TANGIBLE FIXED ASSETS**

**Group**

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 January 2012	37,311	560,157	49,000	646,468
Additions	-	9,741	-	9,741
At 31 December 2012	37,311	569,898	49,000	656,209
<b>DEPRECIATION</b>				
At 1 January 2012	18,561	491,770	49,000	559,331
Charge for year	1,488	28,527	-	30,015
At 31 December 2012	20,049	520,297	49,000	589,346
<b>NET BOOK VALUE</b>				
At 31 December 2012	17,262	49,601	-	66,863
At 31 December 2011	18,750	68,387	-	87,137

**Company**

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 January 2012	37,311	560,157	49,000	646,468
Additions	-	9,741	-	9,741
At 31 December 2012	37,311	569,898	49,000	656,209
<b>DEPRECIATION</b>				
At 1 January 2012	18,561	491,770	49,000	559,331
Charge for year	1,488	28,527	-	30,015
At 31 December 2012	20,049	520,297	49,000	589,346
<b>NET BOOK VALUE</b>				
At 31 December 2012	17,262	49,601	-	66,863
At 31 December 2011	18,750	68,387	-	87,137

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2012

9 FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
<b>COST</b>	
At 1 January 2012	200
Additions	600,001
Impairments	(600,000)
At 31 December 2012	<u>201</u>
<b>NET BOOK VALUE</b>	
At 31 December 2012	<u>201</u>
At 31 December 2011	<u>200</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiary

Scantec Resources Limited

Nature of business Non Trading

	% holding		
Class of shares	100 00		
Ordinary		31 12 12	31 12 11
		£	£
Aggregate capital and reserves		<u>201</u>	<u>200</u>

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31 12 12	31 12 11	31 12 12	31 12 11
	£	£	£	£
Trade debtors	4,809,269	4,628,648	4,809,269	4,628,648
Amounts owed by participating interests	302,700	300,000	302,700	300,000
Other debtors	<u>17,409</u>	<u>-</u>	<u>17,409</u>	<u>-</u>
	<u>5,129,378</u>	<u>4,928,648</u>	<u>5,129,378</u>	<u>4,928,648</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2012

**11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	31 12 12	31 12 11	31 12 12	31 12 11
	£	£	£	£
Bank loans and overdrafts (see note 12)	1,691,899	1,889,529	1,692,100	1,889,529
Trade creditors	54,016	53,650	54,016	53,650
Amounts owed to participating interests	111,934	89,452	111,934	89,452
Tax	108,867	90,419	108,867	90,419
Social security and other taxes	112,837	247,287	112,837	247,287
VAT	353,873	262,415	353,873	262,415
Other creditors	51,688	63,003	51,688	63,003
Directors' current accounts	1,000,000	1,000,000	1,000,000	1,000,000
Accrued expenses	633,429	339,569	633,429	339,569
	<u>4,118,543</u>	<u>4,035,324</u>	<u>4,118,744</u>	<u>4,035,324</u>

**12 LOANS**

An analysis of the maturity of loans is given below

	Group		Company	
	31 12 12	31 12 11	31 12 12	31 12 11
	£	£	£	£
Amounts falling due within one year or on demand				
Bank overdrafts	<u>1,691,899</u>	<u>1,889,529</u>	<u>1,692,100</u>	<u>1,889,529</u>

**13 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

**Company**

	Land and buildings		Other operating leases	
	31 12 12	31 12 11	31 12 12	31 12 11
	£	£	£	£
Expiring				
Within one year	-	-	3,696	21,575
Between one and five years	-	-	40,145	17,707
In more than five years	<u>128,000</u>	<u>128,000</u>	-	-
	<u>128,000</u>	<u>128,000</u>	<u>43,841</u>	<u>39,282</u>

**14 SECURED DEBTS**

The following secured debts are included within creditors

	Company	
	31 12 12	31 12 11
	£	£
Bank overdraft	<u>1,692,100</u>	<u>1,889,529</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2012

15 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value lp	31 12 12 £	31 12 11 £
10,000	Ordinary		<u>100</u>	<u>100</u>

16 RESERVES

Group

	Profit and loss account £
At 1 January 2012	1,056,555
Profit for the year	756,921
Dividends	<u>(600,000)</u>
At 31 December 2012	<u>1,213,476</u>

Company

	Profit and loss account £
At 1 January 2012	1,056,555
Profit for the year	<u>156,921</u>
At 31 December 2012	<u>1,213,476</u>

17 TRANSACTIONS WITH DIRECTORS

Consultants fees of £82,500 (2011- £118,318) have been paid to JE Robinson Engineering Limited The directors are also directors of JE Robinson Engineering Limited  
Rent of £128,000 (2011 - £128,000) has been paid to the directors self invested personal pension fund  
Rent of £4,000 (2011 - £4,000) has been paid to J E Robinson and P J Bates in respect of the premises from which the company operates  
A loan of £300,000 was made to River Professional Services Limited a company under common ownership in 2011 At 31 December 2012, £74,285 was owed to River Professional Services Limited

18 RELATED PARTY DISCLOSURES

Included in creditors is a loan from SPI International Limited £111,934 Included within creditors is a loan to Scantec Construction Limited amounting to £2,700 Both are companies under common ownership

During the period, Scantec Resources Limited paid a dividend of £600,000 on a B share held by Trust whose main beneficiaries are Scantec Personnel Personnel Limited and its shareholders

19 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is J E Robinson

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2012

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

**Group**

	31 12 12	31 12 11
	£	£
Profit for the financial year	756,921	518,646
Dividends	(600,000)	-
<b>Net addition to shareholders' funds</b>	<b>156,921</b>	<b>518,646</b>
Opening shareholders' funds	<u>1,056,655</u>	<u>538,009</u>
<b>Closing shareholders' funds</b>	<b><u>1,213,576</u></b>	<b><u>1,056,655</u></b>

**Company**

	31 12 12	31 12 11
	£	£
Profit for the financial year	<u>156,921</u>	<u>518,646</u>
<b>Net addition to shareholders' funds</b>	<b>156,921</b>	<b>518,646</b>
Opening shareholders' funds	<u>1,056,655</u>	<u>538,009</u>
<b>Closing shareholders' funds</b>	<b><u>1,213,576</u></b>	<b><u>1,056,655</u></b>