
KENT TOP TEMPS LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

Barnes Roffe LLP, Chartered Accountants,
16 - 19 Copperfields, Spital Street, Dartford, Kent, DA1 2DE
PL: 06 January 2010

KENT TOP TEMPS LTD

COMPANY INFORMATION

DIRECTORS

L J Faulkner Esq
K G Harlock Esq
M V Snelling Esq

COMPANY SECRETARY

L J Faulkner Esq

COMPANY NUMBER

05242900

REGISTERED OFFICE

KCC Commercial Services Building
Gibson Drive
Kings Hill
West Malling
Kent
ME19 4QG

AUDITORS

Barnes Roffe LLP
Chartered Accountants and Registered Auditors
16-19 Copperfields
Spital Street
Dartford
Kent
DA1 2DE

KENT TOP TEMPS LTD

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KENT TOP TEMPS LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2009

The directors present their report and the financial statements for the year ended 31 March 2009.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual 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). The financial statements are required by law to 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 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 proper accounting records that 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 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.

PRINCIPAL ACTIVITIES

The principal activity of the company are that of a temporary employment agency and employment business, and provider of bus services, including school transport.

BUSINESS REVIEW

The directors note that the company traded at a satisfactory level throughout the 2008/09 financial year but expect future trading to be especially challenging because of the economic downturn.

Kent Top Temps Limited achieved audited status from the Recruitment and Employment Confederation (REC) in the 2007/08 financial year, confirming that Top Temps are fully compliant with the industry regulations and best practice. This is awarded to only an elite number of recruitment companies nationwide, and demonstrates that agencies are conducting their business lawfully and ethically.

Top Travel won a five year contract to provide the Canterbury Park & Ride service during the year.

The directors recommend a dividend payment of £125,000 for the financial year 2008/09.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £248,068 (2008 - £216,311).

Dividends paid during the year amounted to £100,000 (2008: £Nil).

KENT TOP TEMPS LTD

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2009**

DIRECTORS

The directors who served during the year were:

L J Faulkner Esq
K G Harlock Esq
M V Snelling Esq

The directors have no interest in the issued share capital of the company.

FUTURE DEVELOPMENTS

The market remains competitive but we remain confident that we will maintain our current level of performance.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company are considered to relate to the current economic uncertainty and downturn, competition from national and independent employment agencies and bus companies, and legislative and taxation changes especially relating to fuel prices.

KEY PERFORMANCE INDICATORS

68% of vacancies were satisfied from our own resources during the year, with the balance being outsourced to Kent based recruitment agencies from our preferred suppliers list.

PROVISION 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 information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 11 December 2009 and signed on its behalf.

L J Faulkner Esq
Secretary

KENT TOP TEMPS LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KENT TOP TEMPS LTD

We have audited the financial statements of Kent Top Temps Ltd for the year ended 31 March 2009, set out on pages 5 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

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 are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we 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.

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 judgments 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.

KENT TOP TEMPS LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KENT TOP TEMPS LTD

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 March 2009 and of its profit for the year then ended;
- the financial statements have been prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

Barnes Roffe LLP

Chartered Accountants and Registered Auditors
16-19 Copperfields
Spital Street
Dartford
Kent
DA1 2DE

7 January 2010

KENT TOP TEMPS LTD

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2009

	Note	2009 £	2008 £
TURNOVER	1,2	14,389,154	7,288,845
Cost of sales		<u>(12,259,568)</u>	<u>(6,136,422)</u>
GROSS PROFIT		2,129,586	1,152,423
Administrative expenses		<u>(1,769,820)</u>	<u>(855,620)</u>
OPERATING PROFIT	3	359,766	296,803
Interest receivable		12,620	11,003
Interest payable	5	<u>(47,699)</u>	<u>(33,017)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		324,687	274,789
Tax on profit on ordinary activities	6	<u>(76,619)</u>	<u>(58,478)</u>
PROFIT FOR THE FINANCIAL YEAR	13	<u><u>248,068</u></u>	<u><u>216,311</u></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2009 or 2008 other than those included in the profit and loss account.

The notes on pages 8 to 15 form part of these financial statements.

KENT TOP TEMPS LTD

**BALANCE SHEET
AS AT 31 MARCH 2009**

	Note	£	2009 £	£	2008 £	£
FIXED ASSETS						
Intangible fixed assets	7		15,333			-
Tangible fixed assets	8		21,390			-
			<u>36,723</u>			<u>-</u>
CURRENT ASSETS						
Debtors	9	3,404,839		1,518,688		
Cash at bank		451,279		236,294		
			<u>3,856,118</u>		<u>1,754,982</u>	
CREDITORS: amounts falling due within one year	10		<u>(2,534,460)</u>		<u>(844,669)</u>	
NET CURRENT ASSETS			<u>1,321,658</u>			<u>910,313</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,358,381</u>			<u>910,313</u>
CREDITORS: amounts falling due after more than one year	11		<u>(740,000)</u>		<u>(440,000)</u>	
NET ASSETS			<u>618,381</u>			<u>470,313</u>
CAPITAL AND RESERVES						
Called up share capital	12		2			2
Profit and loss account	13		618,379		470,311	
SHAREHOLDERS' FUNDS	14		<u>618,381</u>		<u>470,313</u>	

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 December 2009.

L J Faulkner Esq
Director

K G Harlock Esq
Director

The notes on pages 8 to 15 form part of these financial statements.

KENT TOP TEMPS LTD

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2009**

	Note	2009 £	2008 £
Net cash flow from operating activities	16	142,526	95,692
Returns on investments and servicing of finance	17	(23,362)	(22,014)
Taxation		(58,477)	(29,522)
Capital expenditure and financial investment	17	(45,702)	-
Equity dividends paid		(100,000)	-
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(85,015)	44,156
Financing	17	300,000	130,000
INCREASE IN CASH IN THE YEAR		214,985	174,156

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MARCH 2009**

	2009 £	2008 £
Increase in cash in the year	214,985	174,156
Cash inflow from increase in debt and lease financing	(300,000)	(130,000)
MOVEMENT IN NET DEBT IN THE YEAR	(85,015)	44,156
Net debt at 1 April 2008	(203,706)	(247,862)
NET DEBT AT 31 MARCH 2009	(288,721)	(203,706)

The notes on pages 8 to 15 form part of these financial statements.

KENT TOP TEMPS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

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, exclusive of Value Added Tax and trade discounts.

1.3 Intangible fixed assets and amortisation

Intangible assets are development costs capitalised in accordance with SSAP 13. They represent expenditure on viable projects in the course of development, which are deferred until the project has attained commercial basis. Intangible assets are amortised on a straight line basis over 3 years.

Amortisation is provided at the following rates:

Development costs	-	33%	straight line
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1.4 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:

Plant & Machinery	-	33%	straight line
Motor Vehicles	-	33%	straight line

1.5 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

1.6 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 current tax rates.

KENT TOP TEMPS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

1. ACCOUNTING POLICIES (continued)

1.7 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 also operates a defined benefit pension scheme whereby it is part of the Kent County Council Pension fund providing benefits based on final pensionable pay. The scheme is a multi employer scheme. The employers' contributions are affected by any surplus or deficit in the scheme. However, Kent Top Temps Limited is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As such the pension charge represents amounts payable by the company to the fund in respect of the year.

2. TURNOVER

An analysis of turnover by class of business is as follows:

	2009 £	2008 £
Temps income	11,756,745	5,414,240
Travel income	2,632,409	1,874,605
	<u>14,389,154</u>	<u>7,288,845</u>

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2009 £	2008 £
Depreciation of tangible fixed assets:		
- owned by the company	1,312	-
Audit fees	8,000	5,500
Operating lease rentals:		
- motor vehicles	20,738	-
- other operating leases	341	6,000
Amortisation of intangible assets	7,667	-
	<u>37,067</u>	<u>11,500</u>

During the year, no director received any emoluments (2008 - £NIL).

KENT TOP TEMPS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

4. STAFF COSTS

Staff costs were as follows:

	2009 £	2008 £
Wages and salaries	1,408,717	939,905
Social security costs	145,985	93,259
Other pension costs	14,329	13,380
	<u>1,569,031</u>	<u>1,046,544</u>

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

	2009 No.	2008 No.
Direct	71	49
Administrative	24	16
	<u>95</u>	<u>65</u>

5. INTEREST PAYABLE

	2009 £	2008 £
On bank loans and overdrafts	<u>47,699</u>	<u>33,017</u>

6. TAXATION

	2009 £	2008 £
UK corporation tax charge on profit for the year	<u>76,619</u>	<u>58,478</u>

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 28% (2008 - 21%).

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

KENT TOP TEMPS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

7. INTANGIBLE FIXED ASSETS

	Development costs £
Cost	
At 1 April 2008	-
Additions	23,000
At 31 March 2009	<u>23,000</u>
Amortisation	
At 1 April 2008	-
Charge for the year	7,667
At 31 March 2009	<u>7,667</u>
Net book value	
At 31 March 2009	<u>15,333</u>
At 31 March 2008	<u>-</u>

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Total £
Cost			
At 1 April 2008	-	-	-
Additions	16,158	6,544	22,702
At 31 March 2009	<u>16,158</u>	<u>6,544</u>	<u>22,702</u>
Depreciation			
At 1 April 2008	-	-	-
Charge for the year	1,312	-	1,312
At 31 March 2009	<u>1,312</u>	<u>-</u>	<u>1,312</u>
Net book value			
At 31 March 2009	<u>14,846</u>	<u>6,544</u>	<u>21,390</u>
At 31 March 2008	<u>-</u>	<u>-</u>	<u>-</u>

KENT TOP TEMPS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

9. DEBTORS

	2009 £	2008 £
Trade debtors	2,793,841	1,498,678
Other debtors, prepayments and accrued income	610,998	20,010
	3,404,839	1,518,688

10. CREDITORS:
Amounts falling due within one year

	2009 £	2008 £
Trade creditors	1,793,725	397,698
Corporation tax	76,619	58,477
Social security and other taxes	184,496	191,533
Other creditors and accruals	479,620	196,961
	2,534,460	844,669

11. CREDITORS:
Amounts falling due after more than one year

	2009 £	2008 £
Loans	740,000	440,000
	740,000	440,000

The above loan is repayable on demand and is secured by a floating charge on the assets of the company.

12. SHARE CAPITAL

	2009 £	2008 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
	1,000	1,000
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	2	2

KENT TOP TEMPS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

13. RESERVES

	Profit and loss account £
At 1 April 2008	470,311
Profit for the year	248,068
Dividends	(100,000)
	618,379
At 31 March 2009	618,379

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Opening shareholders' funds	470,313	254,002
Profit for the year	248,068	216,311
Dividends (Note 15)	(100,000)	-
	618,381	470,313
Closing shareholders' funds	618,381	470,313

15. DIVIDENDS

	2009 £	2008 £
Dividends paid on equity capital	100,000	-
	100,000	-

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating profit	359,766	296,803
Amortisation of intangible fixed assets	7,667	-
Depreciation of tangible fixed assets	1,312	-
Increase in debtors	(1,886,152)	(472,194)
Increase in creditors	1,659,933	271,083
	142,526	95,692
Net cash inflow from operations	142,526	95,692

KENT TOP TEMPS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

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

	2009 £	2008 £
Returns on investments and servicing of finance		
Interest received	12,620	11,003
Interest paid	(35,982)	(33,017)
	(23,362)	(22,014)
Net cash outflow from returns on investments and servicing of finance	(23,362)	(22,014)
	2009 £	2008 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(23,000)	-
Purchase of tangible fixed assets	(22,702)	-
	(45,702)	-
Net cash outflow from capital expenditure	(45,702)	-
	2009 £	2008 £
Financing		
New secured loans	300,000	130,000
	300,000	130,000

18. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2008 £	Cash flow £	Other non-cash changes £	31 March 2009 £
Cash at bank and in hand:	236,294	214,985	-	451,279
Debt:				
Debts due within one year	-	(300,000)	300,000	-
Debts falling due after more than one year	(440,000)	-	(300,000)	(740,000)
Net debt	(203,706)	(85,015)	-	(288,721)

19. PENSION COMMITMENTS

The company operates a defined contribution pension scheme and participates in a defined benefit pension scheme. The assets of both schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to these funds and amounted to £14,329 (2008: £13,380)

KENT TOP TEMPS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

20. OPERATING LEASE COMMITMENTS

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as follows:

	2009	2008
	£	£
Expiry date:		
Within 1 year	13,058	<i>34,860</i>
Between 2 and 5 years	3,218	<i>18,388</i>
	=====	=====

21. RELATED PARTY TRANSACTIONS

During the year, the company traded with Kent County Council, the ultimate controlling party. During the year, the company made sales of £13,108,735 (2008: £7,167,850) to Kent County Council. At the year end, the balance owed by Kent County Council, included in trade debtors, amounted to £2,622,008 (2008: £1,505,598).

Purchases and charges in respect of services and facilities were paid to Kent County Council in the year amounting to £2,971,240 (2008: £1,693,196). At the year end, the balance owed to Kent County Council, included in trade creditors, amounted to £288,177 (2008: £122,260).

The company has a loan from Kent County Council of £740,000 (2008: £440,000). This loan is repayable on demand and carries an interest rate of 5% above Bank of England base rate. During the year the company was charged interest of £47,699 (2008: £33,017).

The company also traded with Kent County Facilities Limited, a group undertaking. During the year, the company made sales of £498 (2008: £24,053) to Kent County Facilities Limited. At the year end, the balance owed by Kent County Facilities Limited, included in trade debtors, amounted to £315 (2008: £639).

The company also made purchases from Kent County Facilities Limited amounting to £276 (2008: £Nil). At the year end, the balance owed to Kent County Facilities Limited, included in trade creditors amounted to £Nil (2008: £Nil).

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PART

The ultimate controlling party is Kent County Council, which owns 100% of the issued share capital of the parent company, Kent County Trading Limited.