

REGISTERED NUMBER: 07836252 (England and Wales)

Report of the Directors and
Financial Statements for the Period 4 November 2011 to 30 September 2012
for
FSB Recruitment Limited

HW, Chartered Accountants
Statutory Auditor
3rd Floor
Pacific Chambers
11-13 Victoria Street
Liverpool
Merseyside
L2 5QQ

FSB Recruitment Limited

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for the Period 4 November 2011 to 30 September 2012

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FSB Recruitment Limited

Company Information

for the Period 4 November 2011 to 30 September 2012

DIRECTORS:

D A Stallon
A F R Forsell
D A R Knowles-Leak
D J Miles
P Clark

REGISTERED OFFICE:

Sir Frank Whittle Way
Blackpool Business Park
Blackpool
FY4 2FE

REGISTERED NUMBER:

07836252 (England and Wales)

AUDITORS:

HW, Chartered Accountants
Statutory Auditor
3rd Floor
Pacific Chambers
11-13 Victoria Street
Liverpool
Merseyside
L2 5QQ

FSB Recruitment Limited

Report of the Directors for the Period 4 November 2011 to 30 September 2012

The directors present their report with the financial statements of the company for the period 4 November 2011 to 30 September 2012.

INCORPORATION

The company was incorporated on 4 November 2011.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of the provision of recruitment services for the National Federation of Self-Employed and Small Businesses Limited, which is the company's parent company. The directors feel that the performance of the company is satisfactory and view the long term future with confidence.

DIRECTORS

The directors who have held office during the period from 4 November 2011 to the date of this report are as follows:

| | |
|--------------------|--------------------------------------|
| D A Stallon | - from 4 November 2011 |
| A F R Forsell | - from 10 May 2012 |
| A M Harris | - from 4 November 2011 to 9 May 2012 |
| D A R Knowles-Leak | - from 10 May 2012 |
| D J Miles | - from 10 May 2012 |
| V J Peake | - from 9 May 2012 |
| J C Walker | - from 4 November 2011 to 9 May 2012 |
| P Clark | - from 4 November 2011 |

V J Peake ceased to be a director after 30 September 2012 but prior to the date of this report.

RESULTS AND DIVIDENDS

The trading loss for the year, after taxation, amounted to £1. The directors recommend that this be deducted from reserves.

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 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 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 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.

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 company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

FSB Recruitment Limited

Report of the Directors
for the Period 4 November 2011 to 30 September 2012

AUDITORS

The auditors HW, Chartered Accountants will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
D A Stallon - Director

18.12.12

Date:

Report of the Independent Auditors to the Members of
FSB Recruitment Limited

We have audited the financial statements of FSB Recruitment Limited for the period ended 30 September 2012 on pages six to ten. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 two, 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 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 company's affairs as at 30 September 2012 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

Report of the Independent Auditors to the Members of
FSB Recruitment 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors.



Mr Francis Murphy (Senior Statutory Auditor)
for and on behalf of HW, Chartered Accountants
Statutory Auditor
3rd Floor
Pacific Chambers
11-13 Victoria Street
Liverpool
Merseyside
L2 5QQ

Date: 18/12/12.....

FSB Recruitment Limited

Profit and Loss Account
for the Period 4 November 2011 to 30 September 2012

| | Notes | £ |
|---|-------|-------------------|
| TURNOVER | 1 | 448,079 |
| Cost of sales | | <u>249,881</u> |
| GROSS PROFIT | | 198,198 |
| Administrative expenses | | <u>198,199</u> |
| OPERATING LOSS and LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | 2 | (1) |
| Tax on loss on ordinary activities | 3 | <u>-</u> |
| LOSS FOR THE FINANCIAL PERIOD | | <u><u>(1)</u></u> |

FSB Recruitment Limited

Balance Sheet
30 September 2012

| | Notes | £ | £ |
|--|-------|----------------|-----------------|
| FIXED ASSETS | | | |
| Intangible assets | 4 | | 498,334 |
| CURRENT ASSETS | | | |
| Debtors | 5 | 9,166 | |
| Cash at bank | | <u>90,188</u> | |
| | | 99,354 | |
| CREDITORS | | | |
| Amounts falling due within one year | 6 | <u>147,688</u> | |
| NET CURRENT LIABILITIES | | | <u>(48,334)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 450,000 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 7 | | <u>450,000</u> |
| NET LIABILITIES | | | <u>-</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 8 | | 1 |
| Profit and loss account | 9 | | <u>(1)</u> |
| SHAREHOLDERS' FUNDS | | | <u>-</u> |

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 18/12/12 and were signed on its behalf by:



.....
P Clark - Director



.....
A F R Forsell - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Period 4 November 2011 to 30 September 2012

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company. The National Federation of Self Employed and Small Businesses Limited, the ultimate holding company, is preparing consolidated financial statements including a consolidated cash flow statement.

The company has also taken advantage of the exemption in FRS 8 from the requirement to disclose transactions with entities that are part of the group.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover is the commission received and management fee received from the parent company for the recruitment of new members to the National Federation of Self Employed and Small Businesses Limited and is accounted for on the accruals basis.

Goodwill

Geographical Recruitment Areas acquired by FSB Recruitment Limited are amortised over their expected useful economic lives as determined by the directors. The useful economic lives of the Area will vary depending on a number of factors including location and size. The Areas are amortised on a straight line basis over a period of between 3 and 6 years.

Pension costs and other post-retirement benefits

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

2. **OPERATING LOSS**

The operating loss is stated after charging:

| | |
|--------------------------------|---------------|
| Goodwill amortisation | £ 76,666 |
| Auditors' remuneration | 2,100 |
| Pension costs | <u>617</u> |
| Directors' honorarium and fees | <u>17,244</u> |

3. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the period.

FSB Recruitment Limited

Notes to the Financial Statements - continued
for the Period 4 November 2011 to 30 September 2012

| | |
|---|-----------------------|
| 4. INTANGIBLE FIXED ASSETS | Goodwill |
| | £ |
| COST | |
| Additions | <u>575,000</u> |
| At 30 September 2012 | <u>575,000</u> |
| AMORTISATION | |
| Charge for period | <u>76,666</u> |
| At 30 September 2012 | <u>76,666</u> |
| NET BOOK VALUE | |
| At 30 September 2012 | <u><u>498,334</u></u> |
| 5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | |
| | £ |
| Other debtors | <u>9,166</u> |
| 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | |
| | £ |
| Trade creditors | 957 |
| Amounts owed to group undertakings | 105,191 |
| Taxation and social security | 17,759 |
| Other creditors | <u>23,781</u> |
| | <u><u>147,688</u></u> |
| 7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | |
| | £ |
| Amounts owed to group undertakings | <u><u>450,000</u></u> |

The amount due to the holding company includes an interest free loan repayable over 5 years, with £450,000 due after one year.

| | | | |
|-----------------------------------|-----------------|----------------|-----------------|
| 8. CALLED UP SHARE CAPITAL | | | |
| Allotted and issued: | | | |
| Number: | Class: | Nominal value: | £ |
| 1 | Share capital 1 | 1 | <u><u>1</u></u> |

9. **RESERVES**

| | Profit and loss account £ |
|------------------------|--|
| Deficit for the period | ____(1) |
| At 30 September 2012 | ====(1) |

10. **ULTIMATE CONTROLLING PARTY**

The company's ultimate controlling party is the National Federation of Self Employed and Small Businesses Limited, a company limited by guarantee, which is registered in England and Wales. Copies of the consolidated financial statements of the National Federation of Self Employed and Small Businesses Limited can be obtained from:

The Secretary
National Federation of Self Employed and Small Businesses Limited
Sir Frank Whittle Way
Blackpool Business Park
Blackpool
FY4 2FE

FSB Recruitment Limited

Trading and Profit and Loss Account
for the Period 4 November 2011 to 30 September 2012

| | £ | £ |
|---|---------------|-------------------|
| Sales | | 448,079 |
| Cost of sales | | |
| Commissions payable | 247,873 | |
| Management charge | <u>2,008</u> | |
| | | <u>249,881</u> |
| GROSS PROFIT | | 198,198 |
| Expenditure | | |
| Insurance | 1,198 | |
| Directors honorarium and fees | 17,244 | |
| Staff salaries | 32,251 | |
| Social security | 3,620 | |
| Pensions | 617 | |
| Printing and stationery | 1,478 | |
| Travel and subsistence | 20,902 | |
| Sundry expenses | 5,238 | |
| Recruitment costs | 22,794 | |
| Legal fees | 14,090 | |
| Auditors' remuneration | 2,100 | |
| Amortisation of intangible fixed assets | | |
| Goodwill | <u>76,667</u> | |
| | | <u>198,199</u> |
| NET LOSS | | <u><u>(1)</u></u> |