

Amoria Bond Limited

Registered Number: 05895820

Annual Report and Financial Statements

For the year ended 30 November 2018

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AMORIA BOND LIMITED
Registered number: 05895820

Company Information

Directors	N Barrow D Daw G M Lloyd S K Chopra (appointed 25 October 2018)
Registered number	05895820
Registered office	14 Egerton House Towers Business Park Wilmslow Road Manchester M20 2DX
Independent auditor	BDO LLP 3 Hardman Street Manchester M3 3AT

AMORIA BOND LIMITED
Registered number: 05895820

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Group strategic report
For the year ended 30 November 2018

Principal activity

The principal activity of the group is the supply of Executive and Technical professionals to the IT, Engineering, Life Sciences, Energy, Banking and Finance sectors on a contract, permanent and executive search basis. We invest significantly in our people and our infrastructure to make sure our business can deliver where our competitors are unable, and we will continue to roll out our services across our current regional hubs, and beyond, as the group continues to expand. The group has an extensive reach, having delivered services into over 30 countries through offices in the UK, mainland Europe and Asia-Pacific.

Business review

The directors are pleased to report another year of robust growth of the group, with a strong performance from all our markets despite the headwinds of currency volatility and the ongoing economic and political uncertainty triggered by the United Kingdom's vote to leave the European Union in June 2016.

Despite these volatile times, we were proud in our twelfth year of operations to celebrate another period of award winning performance. We were shortlisted in 11 industry awards and accolades, winning or being finalists in 8 including:

- Queen's Award for Enterprise: International Trade – recognising global sales growth over the last three years
- Recruitment Investing in Talent – Winner – Most effective professional development programme
- Global Recruiter Awards – Winner – Best Overseas Operations
- IRP 'REC' Awards - Best Company to Work For (over 150 employees);

We have also listed in the Sunday Times International Track 200 for the fourth consecutive year.

It was another significant year of investment across the business. Following our decisions in 2016 to start new business streams in the contract market and re-focus our permanent recruitment teams, along with a clear focus on people and management development, we saw the ongoing return of this in our turnover and profitability growth in 2018.

Turnover increased by 33% to £68.1m and gross profit grew at 44% to £17.4m.

Our international expansion continued and our revenues from our overseas offices now account for 68% (2017: 66%) of group revenues, and our gross from those offices is 71% (2017: 66%)

We continue to look for new growth and development opportunities both in market sectors and geographies.

Group strategic report (continued)

Financial key performance indicators

The group uses the following KPI's to measure performance:

Turnover	Up 33% to £68.1m (2018) from £51.2m (2017)
Gross Profit (GP)	Up 44% to £17.4m (2018) from £12.1m (2017)
Contract Gross Profit Margin	At 20.0% (2018) up from 18.9% (2017)
Contract to Permanent GP Mix	77%/23% Contract to Permanent (2018) (75%/25% 2017)
EBITDA exc. Directors Emoluments	Up to £6.0m (2018) from £2.7m (2017)
Cash generation from operating activities	£1.1m (2018) versus cash absorption of £1.0m (2017)

Principal risks and uncertainties

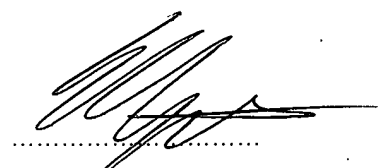
The group faces a number of risks, both from the various markets and economies we trade in as well as from competitors in the market both in terms of client acquisition and staff attraction and retention.

The group continues to diversify which means we have no over reliance on one sector, geography or client, as well as continuing to focus on our balanced permanent and contract business model enabling us to offer clients a full suite of recruitment services.

Although we are not immune from changing economies and markets, our ongoing investment in our people and the fabric of the business means we are well positioned to handle any changes in the various markets we trade in.

Looking ahead, it is still difficult to assess the impact of the EU Referendum result as the United Kingdom is still negotiating the terms of it's exit. However, the group's increasing weighting towards the more resilient contract market, and a focus on international markets (77% of gross profit is now generated from outside of the UK) means our diversified portfolio of geographies and sectors continues to deliver growth and gives us confidence that we can optimise our performance in this uncertain time.

This report was approved by the Board and signed on its behalf:



S Chopra
Director
Date

22 MAY 2019

Directors' report
For the year ended 30 November 2018

The directors present their report and the financial statements for the year ended 30 November 2018.

Directors' responsibilities statement

The directors are responsible for preparing the group strategic report, the directors' 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland). 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 and profit or loss of the company and the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 group 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 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.

Results

The group profit for the year, after taxation, amounted to £1,904,990 (2017: £651,208). For details of dividends paid and proposed refer to note 17.

Directors

The directors who served during the year were:

N Barrow
D Daw
G M Lloyd
S K Chopra

Matters covered in the Group strategic report

The business review and assessment of principal risks and uncertainties are included within the Group strategic report.

Directors' report (continued)
For the year ended 30 November 2018

Financial instruments

The group holds or issues financial instruments in order to achieve three main objectives, being:

- a) to finance its operations;
- b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and
- c) for trading purposes.

In addition, various financial instruments such as trade debtors, trade creditors, invoice discounting facilities, directors' loans and bank balances arise directly from the group's operations.

Transactions in financial instruments result in the group assuming or transferring to another party one or more of the financial risks described below.

Credit risk

Investments of cash surpluses and borrowings are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provisions made for doubtful debts where necessary.

Liquidity risk

The group manages its cash requirements in order to maximise interest income and minimise interest expense, whilst ensuring that it has sufficient liquid resources to meet the operating needs of the business.

Currency risk

The group's principal foreign exchange exposure arises from trading with overseas companies. The group manages these exposures by invoicing in its local currency wherever possible.

Disclosure of information to auditor

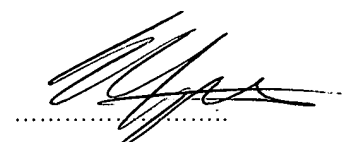
The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company and the group's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

A resolution to re-appoint BDO LLP as auditor for the ensuing year will be proposed at the Annual General Meeting of the Group.

This report was approved by the Board and signed on its behalf:



S Chopra
Director
Date :

22 MAY 2019

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF AMORIA BOND LIMITED

Opinion

We have audited the financial statements of Amoria Bond Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 30 November 2018 which comprise the consolidated statement of comprehensive income, consolidated and company statement of financial position, consolidated statement of cash flows, consolidated and company statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 30 November 2018 and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF AMORIA BOND LIMITED (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Director's report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF AMORIA BOND LIMITED (continued)

Auditor's responsibilities for the audit of the financial statements

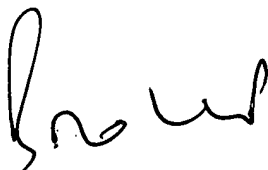
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent 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 Parent Company's members those matters we are required to state to them in an auditor's 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Julien Rye (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Manchester, UK
Date: 24 MAY 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

AMORIA BOND LIMITED
Registered number: 05895820

Consolidated statement of comprehensive income
For the year ended 30 November 2018

		2018	2017
	<i>Note</i>	£	£
Turnover	2,4	68,105,677	51,222,561
Cost of sales		(50,732,807)	(39,076,437)
Gross profit		17,372,870	12,146,124
Administrative expenses		(14,640,738)	(11,146,169)
Operating profit	5	2,732,132	999,955
Interest receivable and similar income		1,108	19
Interest payable and similar charges	8	(203,078)	(156,244)
Profit on ordinary activities before taxation		2,530,162	843,730
Tax on profit on ordinary activities	9	(625,172)	(192,522)
Profit for the financial year		1,904,990	651,208
Other Comprehensive Income			
Unrealised gains on foreign exchange		1,586	11,484
Total comprehensive income for the financial year attributable to the owners of the parent company		1,906,576	662,692

All amounts relate to continuing operations.

The notes on pages 16 to 29 form part of these financial statements.


AMORIA BOND LIMITED
Registered number: 05895820

Consolidated statement of financial position
As at 30 November 2018

	<i>Note</i>	2018 £	2017 £
Fixed assets			
Tangible assets	11	352,109	436,951
		352,109	436,951
Current assets			
Debtors: amounts falling due within one year	13	17,471,166	14,066,930
Debtors: amounts falling due after one year	13	403,299	-
Cash at bank and in hand		1,311,059	1,700,005
		19,185,524	15,766,935
Creditors: amounts falling due within one year	14	(18,076,086)	(15,940,734)
Net current assets / (liabilities)		1,109,438	(173,799)
Total assets less current liabilities		1,461,547	263,152
Provisions for liabilities and charges	10	(27,088)	(35,269)
Net assets		1,434,459	227,883
Capital and reserves			
Called up share capital	15	900	900
Profit and loss account	16	1,597,684	392,694
Other reserves	16	(242,129)	(243,715)
Merger Reserve	16	78,004	78,004
Shareholders' funds		1,434,459	227,883

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

S Chopra
Director


 Date
 22 MAY 2019

The notes on pages 16 to 29 form part of these financial statements.

AMORIA BOND LIMITED
Registered number: 05895820

Company statement of financial position
As at 30 November 2018


	<i>Note</i>	2018 £	2017 £
Fixed assets			
Tangible assets	11	285,259	338,103
Investments	12	35,608	35,608
		320,867	373,711
Current assets			
Debtors: amounts falling due within one year	13	6,344,342	5,263,841
Debtors: amounts falling due after one year	13	403,299	-
Cash at bank and in hand		463,322	328,319
		7,210,963	5,592,160
Creditors: amounts falling due within one year	14	(6,767,383)	(5,636,717)
Net current assets / (liabilities)		443,580	(44,557)
Total assets less current liabilities		764,447	329,154
Provisions for liabilities and charges	10	(27,088)	(35,269)
Net assets		737,359	293,885
Capital and reserves			
Called up share capital	15	900	900
Profit and loss account	16	736,459	292,985
Shareholders' funds		737,359	293,885

The parent company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The profit for the year dealt with in the accounts of the company was £1,143,474 (2017: £621,258).

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

S Chopra
Director
Date


 22 MAY 2019

The notes on pages 16 to 29 form part of these financial statements.

Consolidated statement of cash flows
For the year ended 30 November 2018

	<i>Note</i>	2018 £	2017 £
Cash flows from operating activities			
Profit for the financial year		1,904,990	651,208
Adjustments for:			
Depreciation of tangible fixed assets		195,969	159,927
Interest payable		203,078	156,244
Interest receivable		(1,108)	(19)
Taxation		625,172	192,522
Increase in trade and other debtors		(4,507,535)	(5,480,468)
Increase in trade creditors		3,115,425	3,952,752
		<hr/>	<hr/>
Cash inflow / (outflow) operations		1,535,991	(367,834)
Income taxes paid		(431,841)	(636,004)
		<hr/>	<hr/>
Net cash generated / (absorbed) from operating activities		1,104,150	(1,003,838)
Cash flows from investing activities			
Purchase of tangible assets	11	(109,864)	(252,313)
Interest receivable		1,108	19
		<hr/>	<hr/>
Net cash flows from investing activities		(108,756)	(252,294)
Cash flows from financing activities			
Invoice discounting advances		(1,103,175)	3,093,887
Interest payable		(203,078)	(156,244)
Equity dividends paid		-	(850,000)
		<hr/>	<hr/>
Net cash (absorbed) / generated by financing activities		(1,306,253)	2,087,643
Net (decrease) / increase in cash and cash equivalents		(310,859)	831,511
Cash and cash equivalents at the beginning of the year		1,621,918	790,407
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	21	1,311,059	1,621,918
		<hr/>	<hr/>

The notes on pages 16 to 29 form part of these financial statements.

Consolidated statement of changes in equity
For the year ended 30 November 2018

	<i>Note</i>	Share capital	Profit and loss reserve	Other reserves	Merger reserve	Total
		£	£	£	£	£
At 1 December 2016		6	591,486	(255,199)	78,004	414,297
Profit for the financial year		-	651,208	-	-	651,208
Other Comprehensive income						
Unrealised losses on foreign exchange		-	-	11,484	-	11,484
Equity dividends paid	17	-	(850,000)	-	-	(850,000)
Issue of Share Capital		894	-	-	-	894
At 30 November 2017		900	392,694	(243,715)	78,004	227,883
Profit for the financial year		-	1,904,990	-	-	1,904,990
Other Comprehensive income						
Unrealised gains on foreign exchange		-	-	1,586	-	1,586
Equity dividends paid	17	-	(700,000)	-	-	(700,000)
At 30 November 2018		900	1,597,684	(242,129)	78,004	1,434,459

Company statement of changes in equity
For the year ended 30 November 2018

	<i>Note</i>	Share capital	Profit and loss reserve	Total
		£	£	£
At 1 December 2016		6	521,727	521,733
Profit for the financial year		-	621,258	621,258
Equity dividends paid	17	-	(850,000)	(850,000)
Issue of Share Capital		894	-	894
At 30 November 2017		900	292,985	293,885
Profit for the financial year		-	1,143,474	1,143,474
Equity dividends paid	17	-	(700,000)	(700,000)
At 30 November 2018		900	736,459	737,359

The notes on pages 16 to 29 form part of these financial statements.

Notes to the financial statements
For the year ended 30 November 2018

1. Company information

Amoria Bond Limited is a private company, limited by shares, incorporated in England with registered office at 14 Egerton House, Towers Business Park, Wilmslow Road, Manchester, M20 2DX, United Kingdom. The principal activity of the group and company is that of recruitment and resourcing services.

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the UK and the Republic of Ireland” (“FRS 102”) and with the Companies Act 2006. The financial statements have been prepared on the historical cost accounting basis. The functional currency of the parent company is sterling (£).

The financial statements are presented in Sterling (£).

The individual accounts of Amoria Bond Limited have also adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including:
- categories of financial instruments;
- items of income, expenses, gains or losses relating to financial instruments; and
- exposure to and management of financial risks.

Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries (“the group”) as if they form a single entity. Intercompany transactions and balances between group and companies are therefore eliminated in full.

Parent Company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent company;
- Disclosures in respect of the parent company’s financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

Notes to the financial statements (continued)

2. Accounting policies (continued)

Going concern

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing the consolidated financial statements.

Turnover

Rendering of services

Turnover comprises revenue recognised by the group in respect of services supplied during the year, exclusive of Value Added Tax and the trade discounts.

Revenue arising from the provision of temporary personnel services is recognised based on hours worked following receipt of an approved timesheet. Temporary personnel are not employees of the group. The direct cost of those personnel is charged to cost of sales in line with the policy for the recognition of the associated revenue.

Revenue arising from the permanent placement of personnel is recognised when the group has performed its obligations in accordance with agreed terms, and in exchange obtained the right to consideration.

Revenue from services include recoverable travelling expenses incurred by contractors when the group has acted as a principle.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided by the group to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Leasehold improvements	-	over the term of the lease
Fixtures, fittings and equipment	-	over 4 – 5 years straight line
Computer and office equipment	-	over 3 – 5 years straight line
Motor vehicles	-	over 5 years straight line

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term trade creditors are measured at transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate.

Investments

Investments in subsidiaries are valued at cost less provision for impairment.

Notes to the financial statements (continued)

2. Accounting policies (continued)

Operating leases

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

Post-retirement benefits

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Foreign currencies

Transactions and balances

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purposes of the consolidated financial statements, the results and financial position are presented in Sterling (£).

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or at an average rate where this rate approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange prevailing at the statement of financial position date and the gains or losses on translation are included in profit or loss in the period in which they arise. Non monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange gains and losses arising on consolidation of the financial statements of overseas subsidiaries are recognised in other comprehensive income.

Translation of group companies

In presenting the consolidated financial statements, the assets and liabilities of the group's foreign operations are translated from their functional currency to Sterling (£) using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of transaction are used. Exchange differences arising on the translation of group companies are recognised in other comprehensive income.

Notes to the financial statements (continued)

2. Accounting policies (continued)

Current and deferred taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- the group is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the Consolidated statement of financial position date.

Notes to the financial statements (continued)

2. Accounting policies (continued)

Financial assets and liabilities are offset and the net amount reported in the Consolidated statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Trade debtors and accrued income – these are stated at trade price less any provision for bad or doubtful debts and potential credit notes. The provisions are determined by management based on their knowledge and experience.

4. Turnover

The whole of the turnover is attributable to the rendering of services.

A geographical analysis of turnover by destination is as follows:

	2018 £	2017 £
United Kingdom	16,167,326	17,585,357
Rest of European Union	48,696,800	30,579,027
Rest of World	3,241,551	3,058,177
	<hr/> 68,105,677 <hr/>	<hr/> 51,222,561 <hr/>

5. Operating profit

Operating profit is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	195,969	159,927
Auditor's remuneration – audit of group and parent	41,478	41,468
Auditor's remuneration – audit of subsidiaries	21,442	-
Auditor's remuneration – non audit		
- services relating to taxation	15,802	15,596
- other non-audit services	6,233	6,238
Operating lease rentals		
- plant and machinery	83,294	83,746
- other operating leases	435,725	477,921
Difference on foreign exchange	15,498	4,131
	<hr/>	<hr/>

Auditor's fees for the Company were £23,400 (2017: £22,500).

Notes to the financial statements (continued)

6. Staff costs

Staff costs including directors' remuneration, were as follows:

	2018	2017
	£	£
Wages and salaries	10,844,459	7,005,222
Social security costs	847,092	759,110
Pension costs	68,971	67,736
	<hr/> 11,760,522	<hr/> 7,832,068

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

	2018	2017
	No.	No.
Directors	3	3
Consultants	99	91
Administrative staff	31	35
	<hr/> 133	<hr/> 129

Key Management Personnel

Key management personnel are defined as the directors and executive management team of the Group.

The total emoluments of key management personnel (salaries, wages, benefits in kind and pension costs) were £3,850,660 in relation to 8 employees (2017: £2,232,741 in relation to 8 employees).

7. Directors' remuneration

Directors' remuneration during the year was as follows:

	2018	2017
	£	£
Remuneration	3,041,690	1,430,864
Company contributions to defined contribution pension schemes	<hr/> 5,375	<hr/> 100,000

The highest paid director received remuneration of £2,770,185 (2017: £1,117,305)

During the year, retirement benefits were accruing to 1 director (2017: 2) in respect of defined contribution pension schemes.

Notes to the financial statements (continued)

8. Interest payable and similar charges

	2018	2017
	£	£
On bank loans and overdrafts	3,053	6,307
On invoice discounting facilities	200,025	149,937
	<hr/> 203,078 <hr/>	<hr/> 156,244 <hr/>

9. Taxation

	2018	2017
	£	£
Analysis of tax charge in the year		
Current tax		
Corporation tax charge on profit for the year	270,534	128,120
Adjustments in respect of prior year	31,356	2,430
Foreign Taxation	331,463	51,491
Total current tax	<hr/> 633,353 <hr/>	<hr/> 182,041 <hr/>
Deferred tax		
Origination and reversal of timing differences	(8,486)	14,122
Adjustments in respect of prior year	305	(3,641)
Total deferred tax	<hr/> (8,181) <hr/>	<hr/> 10,481 <hr/>
Tax on profit on ordinary activities	<hr/> 625,172 <hr/>	<hr/> 192,522 <hr/>

Notes to the financial statements (continued)

9. Taxation (continued)

Factors affecting the tax charge for the year

The tax assessed for the year is higher (2017: higher) than the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	2,530,162	843,730
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2017: 20.33%):	480,737	163,093
Effects of:		
Fixed asset differences	(9,645)	(7,689)
Expenses not deductible for tax purposes	9,173	13,751
Losses brought forward utilised in period	(26,213)	(3,610)
Other permanent differences	151,517	(3,373)
Adjustments in respect of previous periods	31,661	(1,196)
Adjustments in relation to deferred tax	998	(1,937)
Deferred tax not recognised	-	39,655
Differences in tax rates	(26,732)	(6,172)
Other Movements	13,676	-
Total tax on profit on ordinary activities	625,172	192,522

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2018) was substantively enacted on 26 October 2015. A further reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2017

10. Deferred taxation

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
At beginning of the year	35,269	24,788	35,269	24,788
Charged during the year	(8,181)	10,481	(8,181)	10,481
At end of the year	27,088	35,269	27,088	35,269

The provision for deferred tax is made up as follows:

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Accelerated capital allowances	27,088	35,269	27,088	35,269

Notes to the financial statements (continued)

11. Tangible fixed assets

	Leasehold improvements	Motor vehicles	Office equipment	Fixtures, fittings and equipment	Computer equipment	Total
Group	£	£	£	£	£	£
Cost						
At 1 December 2017	392,709	3,158	11,103	182,975	958,897	1,548,842
Additions	1,898	-	266	14,929	92,771	109,864
Disposals	(912)	(2,068)	-	(30,280)	(45,036)	(78,296)
Foreign exchange movements	5,850	22	227	1,331	2,932	10,362
At 30 November 2018	399,545	1,112	11,596	168,955	1,009,564	1,590,772
Depreciation						
At 1 December 2017	282,667	1,621	10,819	139,173	677,611	1,111,891
Charge for the year	47,898	222	345	17,892	129,612	195,969
Disposals	(912)	(2,068)	-	(30,280)	(45,036)	(78,296)
Foreign exchange movements	4,750	225	224	1,522	2,378	9,099
At 30 November 2018	334,403	-	11,388	128,307	764,565	1,238,663
Net book value						
At 30 November 2018	65,142	1,112	208	40,648	244,999	352,109
At 30 November 2017	110,042	1,537	284	43,802	281,286	436,951

	Leasehold improvements	Fixtures, fittings and equipment	Computer equipment	Total
Company	£	£	£	£
Cost				
At 1 December 2017	211,911	97,886	802,984	1,112,781
Additions	1,898	6,391	86,566	94,855
At 30 November 2018	213,809	104,277	889,550	1,207,636
Depreciation				
At 1 December 2017	139,782	80,531	554,365	774,678
Charge for the year	26,338	7,220	114,141	147,699
At 30 November 2018	166,120	87,751	668,506	922,377
Net book value				
At 30 November 2018	47,689	16,526	221,044	285,259
At 30 November 2017	72,129	17,355	248,619	338,103

Notes to the financial statements (continued)

12. Fixed asset investments

Company	Investment in subsidiary companies £
Cost	
At 1 December 2017	35,608
Additions in the year	-
At 30 November 2018	35,608
Net book value	35,608
At 30 November 2018	
At 30 November 2017	35,608

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Amoria Bond BV Keizersgracht 270 1016 EV Amsterdam Netherlands	Netherlands	Ordinary	100 %	Recruitment and resourcing services
Amoria Bond GmbH Kreuzgasse 2a 50667 Koln Germany	Germany	Ordinary	100 %	Recruitment and resourcing services
Amoria Bond Pte Limited One George Street #16-01 Singapore 049145	Singapore	Ordinary	100 %	Recruitment and resourcing services
AB Consulting Services (ABCS) Limited 14 Egerton House Towers Business Park Manchester M20 2DX	UK	Ordinary	100 %	Non-trading holding company
Coalesce Management Consulting Pte. Limited 118 Aljunied Avenue 2 #03-104 Singapore 380118	Singapore	Ordinary	100 %	Management consulting services

Notes to the financial statements (continued)

13. Debtors

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	9,934,101	9,240,819	4,050,734	4,220,877
Amounts owed by group undertakings	-	-	-	-
Other debtors	1,678,125	447,767	936,004	65,479
Prepayments	229,026	286,950	145,197	177,220
Accrued Income	5,629,914	4,091,394	1,212,407	800,265
Debtors: amounts falling due within one year	17,471,166	14,066,930	6,344,342	5,263,841
Other debtors	403,299	-	403,299	-
Debtors: amounts falling due after one year	403,299	-	403,299	-

An impairment loss of £374,169 (2017: £227,972) was recorded against trade debtors as at the date of the statement of financial position.

14. Creditors: amounts falling due within one year

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank overdraft	-	78,087	-	-
Invoice discounting advances	5,185,409	6,288,584	2,339,283	3,175,543
Trade creditors	3,805,022	4,066,611	805,011	1,022,131
Amounts owed to group undertakings	-	-	390,994	49,600
Corporation tax	312,336	110,824	166,797	45,262
Other taxation and social security	1,211,200	597,995	716,117	224,454
Other creditors	177,203	54,734	47,372	40,217
Accruals and deferred income	7,384,916	4,743,899	2,301,809	1,079,510
	18,076,086	15,940,734	6,767,383	5,636,717

Amounts due to group undertakings are charged at current market rate of 5% interest per annum.

Security

Individual invoice discounting facilities are in place for the UK, Germany and the Netherlands group entities and are secured via a fixed and floating charge on the assets of the group. These facilities attract an interest rate at 2% over the Bank of England Base Rate per annum.

Pension commitments

The Group operates a defined contribution pension scheme. This is a money purchase pension scheme to provide retirement benefits for eligible employees. The assets of the scheme are administered by trustees in funds independent from those of the Group. Included in other creditors are advance payments of £9,482 at the year-end (2017: £4,304) in respect of pension contributions.

Notes to the financial statements (continued)

15. Share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
300 Ordinary shares of £1 each	300	300
300 Singapore shares of £1 each	300	300
300 ABC shares of £1 each	300	300
	900	900

The ordinary shares are non-redeemable and have full voting rights, rights to participate in approved dividend distributions and rights to participate in any capital distribution on winding up.

16. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

Other reserves

Other reserves includes all current and prior period accumulated foreign exchange gains and losses arising on the consolidation of foreign subsidiaries.

Merger Reserve

Merger reserve arose on the business combination that was accounted for as a merger in accordance with FRS 102.

17. Dividends

	2018	2017
	£	£
Dividends on equity capital	700,000	850,000

Notes to the financial statements (continued)

18. Operating lease commitments

At 30 November 2018, the group and company had minimum commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2018	2017	2018	2017
	£	£	£	£
Group				
Minimum payments due:				
Within 1 year	336,174	365,375	103,145	186,585
Between 2 and 5 years	203,243	532,765	58,964	30,144
After more than 5 years	-	-	-	13,345
	539,417	898,140	162,109	230,074
	Land and buildings		Other	
	2018	2017	2018	2017
	£	£	£	£
Company				
Minimum payments due:				
Within 1 year	89,908	89,908	95,865	110,903
Between 2 and 5 years	82,416	172,323	42,209	30,144
After more than 5 years	-	-	-	13,345
	172,324	262,231	138,074	154,392

19. Related party transactions

Balances due from / (to) directors are included in other debtors or creditors and can be summarised as follows:

	2018	2017	Maximum
	Debtor /	Debtor /	overdrawn
	(Creditor)	(Creditor)	balance
	£	£	£
D Daw	363,058	60,763	363,058
N Barrow	234,074	(3,418)	797,614
G M Lloyd	885,952	197,548	1,585,952

Notes to the financial statements (continued)

20. Financial instruments

	2018	2017
	£	£
Financial assets		
Financial assets measured at amortised cost	18,614,498	15,459,862
	<hr/>	<hr/>
Financial liabilities		
Financial liabilities measured at amortised cost	(16,572,052)	(15,231,615)
	<hr/>	<hr/>

Financial assets measured at amortised cost comprise of cash and cash equivalents, trade debtors, amounts owed by related undertakings, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, invoice financing facilities, trade creditors, amounts owed to related undertakings, other creditors and accruals.

21. Cash and Cash Equivalents

	2018	2017
	£	£
Cash at bank and in hand	1,311,059	1,700,005
Bank overdraft	-	(78,087)
	<hr/>	<hr/>
	1,311,059	1,621,918
	<hr/>	<hr/>

22. Controlling party

At the current and preceding year ends the group was controlled by G M Lloyd, D Daw, and N Barrow by virtue of their equal shareholding in the group.