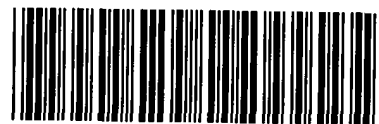


Company Registration No. 04749739 (England and Wales)

**Exchequer Solutions Limited**

**Annual report and financial statements  
for the year ended 31 December 2014**

TUESDAY



\*A4GY4TB4\*

A21

29/09/2015

#693

COMPANIES HOUSE

# **Exchequer Solutions Limited**

## **Company information**

---

### **Directors**

Rodney Kavanagh  
Sandra Kavanagh  
Jeanette Barrowcliffe  
Jon Barrowcliffe  
Mark Mitchell  
Carol Mitchell  
Michael Lowndes

### **Secretary**

Jeanette Barrowcliffe

### **Company number**

04749739

### **Registered office**

1st Floor The Exchange  
No 1 St John Street  
Chester  
CH1 1DA

### **Independent auditors**

Saffery Champness  
City Tower  
Piccadilly Plaza  
Manchester  
M1 4BT

---

# **Exchequer Solutions Limited**

## **Contents**

---

	<b>Page</b>
Strategic report	1 - 3
Directors' report	4 - 5
Independent auditors' report	6 - 7
Profit and loss account	8
Balance sheet	9
Cash flow statement	10
Notes to the cash flow statement	11
Notes to the financial statements	12 - 20

---

## **Exchequer Solutions Limited**

### **Strategic report**

**For the year ended 31 December 2014**

---

The directors present their strategic report for the year ended 31 December 2014.

#### **Review of the business**

Exchequer Solutions Limited provides nationwide commercial services to recruitment agencies and contractors across a wide range of sectors, supporting its clients so they are able to focus on what they do best.

The profit and loss account shows turnover for the year of £103,585,081 (2013: £70,772,737) and profit before tax for the year of £885,467 (2013: £769,915) with profit after tax of £687,288 (2013: £583,515). Further details of turnover are given in note 2 to the financial statements.

The directors are delighted with the 46% increase in turnover particularly given the disruption in the market in 2014 following the introduction of the Onshore Employment Intermediaries: False Self-Employment legislation. This growth is reflective of the company's continued customer service, developing existing and new client relationships and an improvement in the overall economic environment.

During 2014 the company continued to invest in its technology and infrastructure ensuring the company is able to support the continued growth the directors anticipate.

During 2014 the Government concluded its consultation into Onshore Employment Intermediaries: False Self-Employment and changed legislation from 6th April 2014. Exchequer Solutions managed this change in legislation to remain compliant whilst continuing its excellent customer service to its clients and contractors.

The decrease in debtor days to 2.9 days is reflective of the increased trade, seasonality and a focus on cash collection (2013: 3.8 days). Creditor days have decreased to 40 days (2013: 42 days) and this decrease is simply reflective of the timing of purchases and the terms agreed.

The liquidity of the business remains positive.

**Description of Principal Risks and Uncertainties**

Competition

Exchequer Solutions provides a quality and compliant solution to recruitment agencies and contractors. Whilst there is competitive risk from other companies and the gross margin remains under pressure, the directors believe that its solution, continued investment in technology and the quality of its compliant service counteract this risk.

Credit risk

The company's principal financial asset, other than the cash held in the bank accounts, is trade and other debtors and the company's credit risk is primarily attached to its trade and other debtors. The amounts presented in the balance sheet are net of all provisions for doubtful debts. The company's objective is to minimise the level of doubtful debts and its policy is to deal with what it considers to be credit worthy customers.

Legislative Risk

The company is subject to legislation changes. To minimise any impact to the company and the service it provides to its clients and contractors the company has policies and procedures in place to ensure compliance with relevant legislation.

Reduction in Business Activity

The company, like any other business, is exposed to a risk of downturn in its particular sectors. The directors proactively monitor performance on an ongoing basis and implement alternative strategies if necessary. Trading levels are still, however, dependent upon the state of the general economy.

**The Position of the Company at the Year End**

The balance sheet on page 9 of the financial statements shows that the company's financial position at the year end in terms of its net assets position has improved on the prior year. Details of the amounts owed to related parties are shown in note 19.

There have been no events since the balance sheet date which materially affect the position of the company.

**Strategic report (continued)**

**For the year ended 31 December 2014**

---

**Analysis Based on Key Performance Indicators**

The gross profit margins (2.47%) reduced slightly during 2014 (2013: 2.65%) and remain an area of focus however the directors acknowledge this slight decrease is reflective of the increased trade, change in mix of clients and general market pressures on margins.

The net profit returns (0.85%) also reduced slightly during 2014 (2013: 1.09%) due to the reduced gross profit margins and investments made in 2014 to ensure there is sufficient infrastructure to support further growth whilst ensuring compliance and service levels are not compromised. Net profit returns however are a focus for the directors and efficiencies in the cost base and increasing the volume of trade remains a priority for the coming year.

**Employee involvement**

The company places considerable value on the involvement of its employees and has continued to keep them involved of matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through regular meetings with those employees which are not for hire with clients.

**Disabled persons**

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned. In the event of a member of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

By order of the board



Jeanette Barrowcliffe

Secretary

16/9/15

## **Exchequer Solutions Limited**

### **Directors' report**

**For the year ended 31 December 2014**

---

The directors present their report and financial statements for the year ended 31 December 2014.

#### **Principal activities**

The principal activity of the company continued to be that of providing nationwide commercial services to recruitment agencies and contractors across a wide range of sectors.

#### **Results and dividends**

The results for the year are set out on page 8.

The directors paid Ordinary dividends of £625,000 and A Ordinary dividends of £31,295. See note 6 for further details.

#### **Directors**

The following directors have held office since 1 January 2014:

Rodney Kavanagh  
Sandra Kavanagh  
Jeanette Barrowcliffe  
Jon Barrowcliffe  
Mark Mitchell  
Carol Mitchell  
Michael Lowndes

#### **Auditors**

Saffery Champness have expressed their willingness to remain in office as auditors of the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

**Directors' report (continued)**

**For the year ended 31 December 2014**

---

**Statement of directors' responsibilities**

The directors are responsible for preparing 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board

  
.....  
Jeanette Barrowcliffe

Secretary

.....16/9/15.



## **Exchequer Solutions Limited**

### **Independent auditors' report**

#### **To the members of Exchequer Solutions Limited**

---

We have audited the financial statements of Exchequer Solutions Limited for the year ended 31 December 2014 set out on pages 8 to 20. 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 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**

As explained more fully in the Directors' Responsibilities Statement set out on pages 4 - 5, 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 Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 December 2014 and of its 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

---

**Exchequer Solutions Limited**

**Independent auditors' report (continued)**

**To the members of Exchequer Solutions 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.

*Saffery Champness*

**Simon Kite FCA BSc (Hons) (Senior Statutory Auditor)**  
**for and on behalf of Saffery Champness**

.....22/9/15

**Chartered Accountants**  
**Statutory Auditors**

City Tower  
Piccadilly Plaza  
Manchester  
M1 4BT

**Exchequer Solutions Limited****Profit and loss account****For the year ended 31 December 2014**

		<b>2014</b>	<b>2013</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	103,585,081	70,772,737
Cost of sales		(101,040,119)	(68,898,856)
<b>Gross profit</b>		2,544,962	1,873,881
Administrative expenses		(1,701,561)	(1,136,372)
<b>Operating profit</b>	<b>3</b>	843,401	737,509
Other interest receivable and similar income	<b>4</b>	42,066	32,406
<b>Profit on ordinary activities before taxation</b>		885,467	769,915
Tax on profit on ordinary activities	<b>5</b>	(198,179)	(186,400)
<b>Profit for the year</b>	<b>13</b>	687,288	583,515

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 12 to 20 form part of these financial statements.

**Exchequer Solutions Limited**

**Balance sheet  
As at 31 December 2014**

	Notes	£	2014 £	£	2013 £
<b>Fixed assets</b>					
Tangible assets	7		96,196		108,160
Investments	8		1		1
			<u>96,197</u>		<u>108,161</u>
<b>Current assets</b>					
Debtors	9	3,220,817		1,972,055	
Cash at bank and in hand		<u>2,480,115</u>		<u>2,092,560</u>	
		5,700,932		4,064,615	
<b>Creditors: amounts falling due within one year</b>	10	<u>(5,677,611)</u>		<u>(4,063,733)</u>	
<b>Net current assets</b>			<u>23,321</u>		<u>882</u>
<b>Total assets less current liabilities</b>			119,518		109,043
<b>Provisions for liabilities</b>			-		(20,524)
			<u>119,518</u>		<u>88,519</u>
<b>Capital and reserves</b>					
Called up share capital	12		106		100
Profit and loss account	13		<u>119,412</u>		<u>88,419</u>
<b>Shareholders' funds</b>	14		<u>119,518</u>		<u>88,519</u>

The notes on pages 12 to 20 form part of these financial statements.

Approved by the Board and authorised for issue on 16/9/15

.....  
Mark Mitchell  
Director

Company Registration No. 04749739

**Exchequer Solutions Limited**

**Cash flow statement**

**For the year ended 31 December 2014**

	2014	2013
	£	£
<b>Net cash inflow from operating activities</b>	<b>2,791,928</b>	<b>2,197,675</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	42,066	32,406
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>42,066</b>	<b>32,406</b>
<b>Taxation</b>	<b>(201,228)</b>	<b>(169,575)</b>
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(42,989)	(115,423)
<b>Net cash outflow for capital expenditure</b>	<b>(42,989)</b>	<b>(115,423)</b>
<b>Equity dividends paid</b>	<b>(656,295)</b>	<b>(570,000)</b>
<b>Net cash inflow before management of liquid resources and financing</b>	<b>1,933,482</b>	<b>1,375,083</b>
<b>Management of liquid resources</b>		
Loan advance	1,545,933	-
<b>Financing</b>		
Issue of ordinary share capital	6	-
<b>Net cash inflow/(outflow) from financing</b>	<b>6</b>	<b>-</b>
<b>Increase in cash in the year</b>	<b>387,555</b>	<b>1,375,083</b>

**Exchequer Solutions Limited**

**Notes to the cash flow statement**

**For the year ended 31 December 2014**

<b>1 Reconciliation of operating profit to net cash inflow from operating activities</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating profit	843,401	737,509
Depreciation of tangible assets	54,953	30,073
Increase in debtors	297,171	(620,121)
Increase in creditors within one year	1,596,403	2,050,214
<b>Net cash inflow from operating activities</b>	<b>2,791,928</b>	<b>2,197,675</b>

<b>2 Analysis of net funds</b>	<b>1 January 2014</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net cash:				
Cash at bank and in hand	2,092,560	387,555	-	2,480,115
Loan advance	-	1,545,933	-	1,545,933
Bank deposits	-	-	-	-
<b>Net funds</b>	<b>2,092,560</b>	<b>1,933,488</b>	<b>-</b>	<b>4,026,048</b>

<b>3 Reconciliation of net cash flow to movement in net funds</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Increase in cash in the year	387,555	1,375,083
Cash outflow from increase in liquid resources	1,545,933	-
<b>Movement in net funds in the year</b>	<b>1,933,488</b>	<b>1,375,083</b>
Opening net funds	2,092,560	717,477
<b>Closing net funds</b>	<b>4,026,048</b>	<b>2,092,560</b>

**Notes to the financial statements  
For the year ended 31 December 2014**

---

**1 Accounting policies**

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

**1.2 Compliance with accounting standards**

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

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as the subsidiary company has not traded and is not material to the group.

**1.3 Turnover**

The turnover shown in the profit and loss account is recognised as contractors and agency staff supply services to customers, exclusive of Value Added Tax.

**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 less estimated residual value of each asset over its expected useful life on a straight line basis, as follows:

Property alterations	16.7% per annum
Computer equipment	33% per annum
Office equipment	20% per annum

**1.5 Leasing**

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

**1.6 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**1.7 Pensions**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Notes to the financial statements (continued)  
For the year ended 31 December 2014

**1 Accounting policies**

(continued)

**1.8 Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

<b>3 Operating profit</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging:		
Depreciation of tangible assets	54,953	30,073
Operating lease rentals	54,579	29,439
Fees payable to the company's auditor for the audit of the company's annual accounts	8,528	7,725

<b>4 Investment income</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank interest	7,162	8,605
Other interest	34,904	23,801
	<u>42,066</u>	<u>32,406</u>



**Exchequer Solutions Limited**

**Notes to the financial statements (continued)**  
**For the year ended 31 December 2014**

<b>5</b>	<b>Taxation</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	215,982	164,000
	Adjustment for prior years	2,721	1,876
		<u>218,703</u>	<u>165,876</u>
	<b>Total current tax</b>	<b>218,703</b>	<b>165,876</b>
	Origination and reversal of timing differences	(20,524)	20,524
		<u>(20,524)</u>	<u>20,524</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	885,467	769,915
		<u>885,467</u>	<u>769,915</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2013 - 23.00%)	185,948	177,080
		<u>185,948</u>	<u>177,080</u>
	Effects of:		
	Non deductible expenses	8,152	5,042
	Capital allowances	4,892	(17,169)
	Adjustment to reflect effective tax rate	5,386	1,768
	Adjustments to previous periods	2,721	1,876
	Pensions not paid	30,382	-
	Underprovision of current year tax	(18,778)	(2,721)
		<u>32,755</u>	<u>(11,204)</u>
	<b>Current tax charge for the year</b>	<b>218,703</b>	<b>165,876</b>
		<u>218,703</u>	<u>165,876</u>
<b>6</b>	<b>Dividends</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Ordinary paid	625,000	570,000
	A Ordinary paid	31,295	-
		<u>656,295</u>	<u>570,000</u>

Dividends paid were £6,250 (2013: £5,700) per Ordinary £1 share and £5,216 (2013: £nil) per A Ordinary £1 share.

**Exchequer Solutions Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 December 2014**

**7 Tangible fixed assets**

	<b>Property alterations</b>	<b>Computer &amp; Office equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2014	21,438	156,142	177,580
Additions	-	42,989	42,989
	<hr/>	<hr/>	<hr/>
At 31 December 2014	21,438	199,131	220,569
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 January 2014	5,748	63,672	69,420
Charge for the year	2,933	52,020	54,953
	<hr/>	<hr/>	<hr/>
At 31 December 2014	8,681	115,692	124,373
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2014	12,757	83,439	96,196
	<hr/>	<hr/>	<hr/>
At 31 December 2013	15,690	92,470	108,160
	<hr/>	<hr/>	<hr/>

**Exchequer Solutions Limited**

**Notes to the financial statements (continued)**  
**For the year ended 31 December 2014**

**8 Fixed asset investments**

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2014 & at 31 December 2014	1
<b>Net book value</b>	
At 31 December 2014	1
At 31 December 2013	1

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
<b>Subsidiary undertakings</b>			
Exceptional Service Limited	England and Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2014	Profit/(loss) for the year 2014
	Principal activity	£	£
Exceptional Service Limited	Dormant	1	-

**Exchequer Solutions Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 December 2014**

<b>9 Debtors</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade debtors	819,156	735,046
Other debtors	2,058,513	1,009,677
Prepayments and accrued income	343,148	227,332
	<u>3,220,817</u>	<u>1,972,055</u>
<b>10 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	232,018	71,316
Corporation tax	88,498	71,023
Other taxes and social security costs	4,629,192	3,576,156
Other creditors	371,499	247,783
Accruals and deferred income	356,404	97,455
	<u>5,677,611</u>	<u>4,063,733</u>
<b>11 Pension and other post-retirement benefit commitments</b>		
<b>Defined contribution</b>		
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the year	<u>7,909</u>	<u>4,020</u>
<b>12 Share capital</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100
6 A Ordinary shares of £1 each	6	-
	<u>106</u>	<u>100</u>

Notes to the financial statements (continued)  
For the year ended 31 December 2014

**13 Statement of movements on profit and loss account**

	Profit and loss account £
Balance at 1 January 2014	88,419
Profit for the year	687,288
Dividends paid	(656,295)
Balance at 31 December 2014	<u>119,412</u>

**14 Reconciliation of movements in shareholders' funds**

	2014 £	2013 £
Profit for the financial year	687,288	583,515
Dividends	(656,295)	(570,000)
	<u>30,993</u>	<u>13,515</u>
Proceeds from issue of shares	6	-
Net addition to shareholders' funds	30,999	13,515
Opening shareholders' funds	88,519	75,004
Closing shareholders' funds	<u>119,518</u>	<u>88,519</u>

**15 Financial commitments**

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Land and buildings 2014 £	2013 £
Operating leases which expire:		
Within two to five years	<u>39,725</u>	<u>39,725</u>

## Exchequer Solutions Limited

### Notes to the financial statements (continued) For the year ended 31 December 2014

16 Directors' remuneration	2014 £	2013 £
Remuneration for qualifying services	60,165	50,766
Company pension contributions to defined contribution schemes	1,723	698
	<u>61,888</u>	<u>51,464</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2013 - 1).

### 17 Employees

#### Number of employees

The average monthly number of administrative employees (including directors) during the year was:

	2014 Number	2013 Number
Administration	<u>37</u>	<u>24</u>

Employment costs	2014 £	2013 £
Wages and salaries	803,804	587,022
Social security costs	73,346	46,600
Other pension costs	7,909	4,020
	<u>885,059</u>	<u>637,642</u>

In addition, the average number of agency employees on weekly hire to clients was 2,135 (2013 - 530). The associated costs of wages were £43,210,375 (2013 - £13,450,318), social security costs were £3,648,325 (2013 - £993,842) and employers pension contributions were £84,072 (2013 - £nil).

### 18 Control

R W Kavanagh is the ultimate controlling party.

**Notes to the financial statements (continued)**  
**For the year ended 31 December 2014**

---

**19 Related party relationships and transactions**

**Dividends to Directors**

The following directors were paid dividends during the year as outlined in the table below:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Rodney Kavanagh	218,750	199,500
Sandra Kavanagh	218,750	199,500
Jon Barrowcliffe	62,500	57,000
Carol Mitchell	125,000	114,000
Michael Lowndes	31,295	-
	<u>656,295</u>	<u>570,000</u>

**Meridian Business Support Limited**

The company had a number of transactions with Meridian Business Support Limited. M Mitchell and J Barrowcliffe are directors of Meridian Business Support Limited. The company made sales during the year of £18,917,467 (2013: £18,336,246) to Meridian Business Support Limited. The company was charged a commission on these sales of £162,043 (2013: £163,057) and was recharged administration costs of £63,746 (2013: £352,349) by Meridian Business Support Limited. The company also charged interest to Meridian Business Support Limited during the year of £3,743 (2013: £nil). At the year end £4,301 (2013: £17,692) was owed to the company by Meridian Business Support Limited and is included within trade debtors and £56,191 (2013: £7,865) was owed to Meridian Business Support Limited and is included within creditors. The company also made a loan to Meridian Business Support Limited in the sum of £500,000 which remains outstanding at the year end and is included within other debtors.

**Loan to Kavanagh Property Management Limited**

Included within debtors in note 9 is an amount due from the above company of £1,545,933 (2013: £1,000,933). Interest on this loan, is charged at 2.00% above the base rate. The loan is secured against the assets of Kavanagh Property Management Limited and Kavanagh Property Development Limited. Both of these companies are related to Exchequer Solutions Limited by virtue of being under common control.