Company Registration No. 11180290 (England and Wales)

Darwin Recruitment Holdings Limited

Annual report and group financial statements for the period ended 28 February 2019

Darwin Recruitment Holdings Limited

Company information

Directors	Miles Hunt Paul Kirby Derk Rijntjes
Secretary	Darren Sharod
Company number	11180290
Registered office	Cumberland House, 3rd floor 129 High Street Billericay CM12 9AH
Independent auditor	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE

Darwin Recruitment Holdings Limited

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Darwin Recruitment Holdings Limited

Strategic report
For the period ended 28 February 2019

The directors present the strategic report for the period ended 28 February 2019.

Fair review of the business

Darwin Recruitment is an international IT recruitment consultancy offering the very best contract and permanent recruitment services to the data and digital technology markets. We are headquartered in the UK with subsidiaries in USA, Germany, Netherlands and Switzerland.

Our customers range from global brands to growing tech start-ups, across a variety of sectors including Automotive, Commerce, Consultancies, Financial Services and Telecommunications.

FY19 saw productivity improve throughout the year however, the first half of trading was impacted by the sales restructure as anticipated in the FY18 financial statements.

FY19 incurred one-off costs associated with the exit of a major shareholder and additionally one-off costs relating to a cost rationalisation programme that was completed late in the year. As a result, our operating loss of £229k was greater than the comparative year (2018: £171k).

We envisage that the financial benefits of both the sales restructure and additionally the cost rationalisation programme will provide significant upside in performance in FY20.

Key performance indicators

	2019	2018
	£m	£m
Turnover	24.8	26.8
Net fee income (gross profit)	8.9	9.8
EBIT	Breakeven	0.1

The above performance measures broadly indicate how the business is performing and the figures highlight the improvement in efficiencies in the cost base. Most of this upside was achieved in Q4 of the year with future benefits being anticipated in FY20.

Principal risks and uncertainties

Macro-Economic Environment

The performance of the Group has a relationship and dependence on the underlying economic activity of the countries in which it operates in so far as it impacts client and candidate confidence. Darwin has continued to diversify its operations to include a balance of both contract and permanent recruitment across multiple geographies.

Since the EU Referendum, we believe that our strategy to primarily focus upon European and US markets will pay a considerable dividend. As uncertainty reigns over the UK economy, the markets that we trade continue to remain resilient and we are excited about the opportunities that are likely to materialise from Brexit.

Macro-economic environment risks are mitigated in part by:

- Increasing the size of the international businesses to reduce the Group's reliance on any one specific economy, geography or sector;
- A sensible balance of Contract and Permanent recruitment (current mix is 41%/59% Contract/Perm), intended to be weighted towards Contract in the current economic climate.
- A flexible cost base that enables the Group to react swiftly to changes in market conditions by increasing or reducing costs as appropriate.

Exchange Rate Risk

The Group trades in several foreign currencies. Consequently, the Group's exchange rate exposure is on the translation of the foreign currency receipts into pounds sterling, in which the fixed Group overheads are incurred.

The Group operates an exchange hedging policy using traditional put options as and when these are considered advantageous. They are arranged with the Group's bankers which protects against medium term fluctuations in foreign exchange movements.

Liquidity risk

The Group's treasury function centrally co-ordinates relationships with banks and focuses on managing borrowing requirements, foreign exchange requirements and cash management. The Group believes it has access to sufficient funding through a new group wide funding credit facility signed in August 2019.

Future developments

Geographic Markets

In the year ahead, the Group will continue to invest in existing markets, specifically where high margins and high average fees exist.

Darwin's infrastructure is such that if new high potential markets are identified, processes exist internally to be able to quickly and successfully capitalise on this. At present, however, we continue to focus on the existing geographic markets.

Services

New service offerings to clients are being developed to supplement the more traditional contingency permanent and contract recruitment models. The provision of more complex Managed Service Solutions, Consultancy, and Retained Assignments are planned.

Sales Process

New sales models have been implemented to split target markets by industry and skill set which leads consultants to be "subject experts". Subsequently, consultants will be able to provide significant value to clients and candidates.

Growth Plan

Management across the business have been engaged in the development of a Growth Plan which has been linked with a Long Term Incentive Programme. The Group expects to see financial performance, productivity and headcount grow in line with this as Management have a vested interest in the wider ambitions of the organisation.

On behalf of the board

....
Paul Kirby
Director
27 November 2019

Darwin Recruitment Holdings Limited

Directors' report
For the period ended 28 February 2019

The directors present their annual report and financial statements for the period ended 28 February 2019. The company was incorporated on 31 January 2018, with the group undergoing a reorganisation on 13 April 2018.

Principal activities
The principal activity of the company and group continued to be that of international recruitment and consultancy services.

Directors
The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Miles Hunt	(Appointed 31 January 2018)
Paul Kirby	(Appointed 31 January 2019)
Derk Rijntjes	(Appointed 31 January 2018)

Results and dividends
The results for the period are set out on page 9.

Ordinary dividends were paid amounting to £303,043 (2018: £875,000). The directors do not recommend payment of a further dividend.

Auditor
Saffery Champness LLP have expressed their willingness to continue in office.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually 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 auditor of the company is aware of that information.

On behalf of the board

....

Paul Kirby
Director

Date: 27 November 2019

Independent auditor's report
To the members of Darwin Recruitment Holdings Limited

Opinion

We have audited the financial statements of Darwin Recruitment Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 28 February 2019 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and 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 FRS 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 the parent company's affairs as at 28 February 2019 and of the group's loss for the period 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.

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 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's or the 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.

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 our audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the 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 the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.

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 on the Financial Reporting Council's website at: http://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 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Richard Collis (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

28 November 2019

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Darwin Recruitment Holdings Limited

Group statement of financial position
As at 28 February 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Intangible assets	12		26,668		-
Tangible assets	13		117,922		200,521
Investments	14		5,000,000		-
			5,144,590		200,521
Current assets					
Debtors	17	5,576,575		5,406,368	
Cash at bank and in hand		305,298		883,808	
		5,881,873		6,290,176	
Creditors: amounts falling due within one year	18	(7,264,916)		(6,522,657)	
Net current liabilities			(1,383,043)		(232,481)
Total assets less current liabilities			3,761,547		(31,960)
Creditors: amounts falling due after more than one year	19		(800,000)		(41,839)
Provisions for liabilities	22		(14,299)		(20,011)
Net assets/(liabilities)			2,947,248		(93,810)
Capital and reserves					
Called up share capital	24		1,457,150		200
Other reserves	25		2,156,510		-
Profit and loss account	25		(666,412)		(109,029)
Equity attributable to owners of the parent company			2,947,248		(108,829)
Non-controlling interests			-		15,019
			2,947,248		(93,810)

Group statement of financial position (continued)
As at 28 February 2019

The financial statements were approved by the board of directors and authorised for issue on 27 November 2019 and are signed on its behalf by:

..................................:
Paul Kirby
Director

Darwin Recruitment Holdings Limited

Company statement of financial position
As at 28 February 2019

	Notes	£	2019 £
Fixed assets			
Investments	14		5,000,000
Current assets			
Debtors	17	265,208	
Cash at bank and in hand		788	
		265,996	
Creditors: amounts falling due within one year	18	(837,562)	
Net current liabilities			(571,566)
Total assets less current liabilities			4,428,434
Creditors: amounts falling due after more than one year	19		(800,000)
Net assets			3,628,434
Capital and reserves			
Called up share capital	24		1,457,150
Share premium account	25		356,510
Other reserves	25		1,800,000
Profit and loss account	25		14,774
Total equity			3,628,434

As permitted by the s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £267,808.

The financial statements were approved by the board of directors and authorised for issue on 27 November 2019 and are signed on its behalf by:

....
Paul Kirby
Director

Company Registration No. 11180290

Darwin Recruitment Holdings Limited

Group statement of changes in equity
For the period ended 28 February 2019

	Notes	Share capital	Share premium account	Other reserves	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
		£	£	£	£	£	£	£
Balance at 28 February 2017		204	5,596	-	866,379	872,179	16,013	888,192
Year ended 28 February 2018:								
Loss and total comprehensive income for the year		-	-	-	(100,408)	(100,408)	(994)	(101,402)
Dividends	**11**	-	-	-	(875,000)	(875,000)	-	(875,000)
Own shares acquired		(4)	(5,596)	-	-	(5,600)	-	(5,600)
Balance at 28 February 2018		200	-	-	(109,029)	(108,829)	15,019	(93,810)
Period ended 28 February 2019:								
Loss and total comprehensive income for the period		-	-	-	(254,339)	(254,339)	-	(254,339)
Dividends	**11**	-	-	-	(303,043)	(303,043)	-	(303,043)
Group reconstruction		1,456,950	-	2,156,510	-	3,613,460	(15,019)	3,598,441
Balance at 28 February 2019		1,457,150	-	2,156,510	(666,412)	2,947,248	-	2,947,248

Darwin Recruitment Holdings Limited

Company statement of changes in equity
For the period ended 28 February 2019

	Notes	Share capital	Share premium account	Other reserves	Profit and loss reserves	Total
		£	£	£	£	£
Balance at 28 February 2018		-	-	-	-	-
Period ended 28 February 2019:						
Profit and total comprehensive income for the period		-	-	-	267,808	267,808
Dividends	11	-	-	-	(253,034)	(253,034)
Group reconstruction		1,457,150	356,510	1,800,000	-	3,613,660
Balance at 28 February 2019		1,457,150	356,510	1,800,000	14,774	3,628,434

Darwin Recruitment Holdings Limited

Group statement of cash flows
For the period ended 28 February 2019

			2019		2018
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	29		(125,087)		(759,788)
Interest paid			(161,320)		(91,690)
Income taxes paid			(13,931)		(194,390)
Net cash outflow from operating activities			(300,338)		(1,045,868)
Investing activities					
Purchase of intangible assets		(31,950)		-	
Purchase of tangible fixed assets		(18,606)		(47,570)	
Interest received		33,150		553	
Net cash used in investing activities			(17,406)		(47,017)
Financing activities					
Proceeds from issue of shares		598,441		-	
Purchase of own shares		-		(5,600)	
Repayment of borrowings		(800,000)		-	
Repayment of bank loans		(43,759)		(13,405)	
Dividends paid to equity shareholders		(303,043)		(875,000)	
Net cash used in financing activities			(548,361)		(894,005)
Net decrease in cash and cash equivalents			(866,105)		(1,986,890)
Cash and cash equivalents at beginning of period			(404,933)		1,581,957
Cash and cash equivalents at end of period			(1,271,038)		(404,933)
Relating to:					
Cash at bank and in hand			305,298		883,808
Bank overdrafts included in creditors payable within one year			(1,576,336)		(1,288,741)

1 Accounting policies

Company information

Darwin Recruitment Holdings Limited ("the company") is a private company limited by shares incorporated in England and Wales. The registered office is Cumberland House, 3rd floor, 129 High Street, Billericay, CM12 9AH.

The group consists of Darwin Recruitment Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Basis of consolidation

Group reconstructions have been accounted for by using the merger accounting method. Results and cash flows of all the combining entities have been brought into the financial statements of the combined entity from the beginning of the financial year in which the combination occurred. Comparative information has been restated by including the total comprehensive income for all the combining entities for the previous reporting period and their statement of financial position for the previous reporting date.

1 Accounting policies (continued)

The group financial statements incorporate those of Darwin Recruitment Holdings Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 28 February 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

During the year the Group acquired a founder shareholder's 40% share ownership interest with minimal impact on operations. The sales restructure and cost rationalisation programme were also completed, all projects incurring one-off costs and which the benefits will be seen in the next financial year.

The Group has a clear strategic plan to grow the sales function and subsequently NFI in order to grow profitability and subsequently balance sheet improvements. Based upon the Group's financial forecasts and after making enquiries of the management team, the Directors have a reasonable expectation that the Group has adequate resources to continue operations for the foreseeable future. For this reason the directors have adopted the going concern basis in preparing the financial statements.

1.4 Reporting period

These financial statements have been prepared for the 13 month period ended 28 February 2019, for the purpose of aligning the period end with those of the other companies within the group. These are the first group financial statements prepared by Darwin Recruitment Holdings Limited.

Comparative amounts in the prior year financial statements are therefore not directly comparable.

1 Accounting policies (continued)

1.5 Turnover

Turnover, which excludes value added tax, comprises the value of services undertaken by the company under its principal activity, which is the provision of recruitment consultancy services. This broadly consists of:

-turnover from contractor placements, representing fees billed for the services of contractors including their costs, which is recognised when the service has been provided

-turnover from permanent placements, representing fees billed as a percentage of the candidate's remuneration package, which is recognised on the start date of the candidate

Turnover not invoiced at the balance sheet date is included within accrued income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	Straight line over 3 years

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Straight line over the course of the lease term
Plant and equipment	Straight line over 3 years
Fixtures and fittings	15% reducing balance

1 Accounting policies (continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1 Accounting policies (continued)

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

1 Accounting policies (continued)

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies (continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies (continued)

1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Impairment review for fixed asset investments

At the balance sheet date, the company held fixed asset investments amounting to £5,000,000. This investment value is not considered to be impaired by the directors based on forecasts and discounted cash flows of each individual subsidiary. When producing the forecasts and discounted cash flows, various estimates and assumptions are used such as current sales pipeline, projected overheads, working capital requirements of each individual subsidiary and general market conditions.

3 Turnover and other revenue

	2019	2018
	£	£
Turnover analysed by class of business		
Professional staffing services	24,831,276	26,810,192

	2019	2018
	£	£
Other significant revenue		
Interest income	10,650	553

	2019	2018
	£	£
Turnover analysed by geographical market		
Europe	24,563,459	25,570,110
United States	267,817	301,725
United Kingdom	-	938,357
	24,831,276	26,810,192

4 Operating loss

	2019	2018
	£	£
Operating loss for the period is stated after charging/(crediting):		
Exchange losses/(gains)	70,164	(15,597)
Depreciation of owned tangible fixed assets	99,345	132,240
(Profit)/loss on disposal of tangible fixed assets	(13,337)	24,304
Amortisation of intangible assets	5,282	-
Operating lease charges	377,236	350,043

Exchange differences recognised in profit or loss during the period, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £70,164.

5 Auditor's remuneration

	2019	2018
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	39,000	35,000

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the period was:

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
	130	147	-	-

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	5,441,404	5,665,897	-	-
Social security costs	755,391	747,833	-	-
Pension costs	87,451	65,290	-	-
	6,284,246	6,479,020	-	-

7 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	167,607	123,844
Company pension contributions to defined contribution schemes	10,000	10,000
	177,607	133,844

The Directors of the company are also considered to be the Key Management Personnel.

8 Interest receivable and similar income

	2019	2018
	£	£
Interest income		
Interest on bank deposits	10,527	50
Other interest income	123	503
Total income	10,650	553

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	10,527	50

9 Interest payable and similar expenses

	2019	2018
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	7,092	8,354
Interest on invoice finance arrangements	99,161	82,938
	106,253	91,292
Other finance costs:		
Other interest	55,067	398
Total finance costs	161,320	91,690

10 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	99,709	38,481
Adjustments in respect of prior periods	-	(89,344)
Total current tax	99,709	(50,863)
Deferred tax		
Origination and reversal of timing differences	(62,364)	23,433
Total tax charge/(credit)	37,345	(27,430)

10 Taxation (continued)

The actual charge for the period can be reconciled to the expected credit for the period based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
(Loss)/profit before taxation	(158,173)	109,230
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (19.00%)	(30,053)	(23,975)
Tax effect of expenses that are not deductible in determining taxable profit	17,846	8,284
Tax effect of utilisation of tax losses not previously recognised	(62,364)	(52,457)
Unutilised tax losses carried forward	8,016	87,529
Unutilised tax losses carried back	78,645	30,235
Group relief	(8,347)	-
Permanent capital allowances in excess of depreciation	-	(9,901)
Depreciation on assets not qualifying for tax allowances	3,569	28,071
Other tax adjustments	-	(21,642)
Effect of overseas tax rates	34,251	(7,663)
Under/(over) provided in the year	(6,364)	(89,344)
Deferred tax adjustments in respect of average exchange rates	2,146	-
Origination and reversal of timing differences	-	23,433
Taxation charge/(credit)	37,345	(27,430)

11 Dividends

Company	2019 £	2018 £
Interim paid	253,034	875,000

Interim dividends paid by the group amount to £303,043 (2018: £875,000) as a dividend was paid by Darwin Recruitment BV during the year to the former non controlling interest prior to the group acquiring 100% of the issued ordinary share capital of Darwin Recruitment BV.

12 Intangible fixed assets

Group	Software
	£
Cost	
At 31 January 2018	-
Additions	31,950
At 28 February 2019	31,950
Amortisation and impairment	
At 31 January 2018	-
Amortisation charged for the period	5,282
At 28 February 2019	5,282
Carrying amount	
At 28 February 2019	26,668
At 28 February 2018	-

The company had no intangible assets at 28 February 2019 or 31 January 2018.

13 Tangible fixed assets

Group	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 31 January 2018	263,772	440,054	206,081	909,907
Additions	-	17,476	-	17,476
Disposals	-	(29,512)	(12,090)	(41,602)
Exchange adjustments	2,856	(955)	2,629	4,530
At 28 February 2019	266,628	427,063	196,620	890,311
Depreciation and impairment				
At 31 January 2018	194,494	384,533	130,359	709,386
Depreciation charged in the period	48,195	31,060	20,090	99,345
Eliminated in respect of disposals	-	(29,549)	(12,090)	(41,639)
Exchange adjustments	1,831	2,624	842	5,297
At 28 February 2019	244,520	388,668	139,201	772,389
Carrying amount				
At 28 February 2019	22,108	38,395	57,419	117,922
At 28 February 2018	69,278	55,521	75,722	200,521

The company had no trangible fixed assets at 28 February 2019 or 31 January 2018.

14 Fixed asset investments

		Group		Company	
		2019		2019	
	Notes	£	£	£	£
Investments in subsidiaries	15	5,000,000	-	5,000,000	-

14 Fixed asset investments (continued)

Movements in fixed asset investments

Group

	Shares in group undertakings £
Cost or valuation	
At 31 January 2018	-
Additions	5,000,000
At 28 February 2019	5,000,000
Carrying amount	
At 28 February 2019	5,000,000
At 28 February 2018	-

Company

	Shares in group undertakings £
Cost or valuation	
At 31 January 2018 and 28 February 2019	-
Additions	5,000,000
At 28 February 2019	5,000,000
Carrying amount	
At 28 February 2019	5,000,000
At 28 February 2018	-

In April 2018, Darwin underwent a group reorganisation and shareholder buy out.

The transactions relating to this have been recorded in accordance with Merger Accounting guidelines.

As Merger Accounting is permitted by Company Law under the Companies Act 2006 and as the ultimate equity holders remained the same, the Group felt that adopting Merger Accounting standards was the most appropriate method in accordance with relevant FRS102 and Companies Act legislation.

15 Subsidiaries

Details of the company's subsidiaries at 28 February 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Darwin Professional Staffing Group Limited	UK	Recruitment consultancy services	Ordinary	100.00	
Darwin Enterprise Limited	UK	Recruitment consultancy services	Ordinary		100.00
Darwin Recruitment (UK) Limited	UK	Recruitment consultancy services	Ordinary		100.00
Darwin Recruitment AG	Switzerland	Recruitment consultancy services	Ordinary		100.00
Darwin Recruitment BV	Netherlands	Recruitment consultancy services	Ordinary		100.00
Darwin Recruitment GmbH	Germany	Recruitment consultancy services	Ordinary		100.00
Darwin Recruitment Inc	USA	Recruitment consultancy services	Ordinary		100.00

The immediate parent company of all indirect subsidiaries is Darwin Professional Staffing Group Limited, a wholly owned company of Darwin Recruitment Holdings Limited. All direct and indirect subsidiaries are included within this consolidation as they are 100% owned.

16 Financial instruments

	Group 2019	2018	Company 2019	2018
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	4,823,699	4,606,276	255,996	-
Equity instruments measured at cost less impairment	5,000,000	-	5,000,000	-
Instruments measured at fair value through profit or loss	115,449	-	-	-
Carrying amount of financial liabilities				
Measured at fair value through profit or loss				
- Other financial liabilities	-	106,513	-	-
Measured at amortised cost	5,010,428	5,681,306	837,562	-

17 Debtors

	Group 2019	2018	Company 2019	2018
Amounts falling due within one year:	**£**	**£**	**£**	**£**
Trade debtors	3,923,200	4,133,573	-	-
Corporation tax recoverable	125,101	88,772	-	-
Derivative financial instruments	115,449	-	-	-
Other debtors	502,132	681,091	255,208	-
Prepayments and accrued income	806,482	502,932	-	-
	5,472,364	5,406,368	255,208	-
Deferred tax asset (note 22)	104,211	-	10,000	-
	5,576,575	5,406,368	265,208	-

18 Creditors: amounts falling due within one year

	Notes	Group 2019	2018	Company 2019	2018
		£	**£**	**£**	**£**
Bank loans and overdrafts	**20**	1,601,888	1,332,499	-	-
Obligations under finance leases	**21**	16,033	10,435	-	-
Other borrowings	**20**	422,500	-	422,500	-
Trade creditors		1,358,247	1,384,776	-	-
Amounts owed to group undertakings		-	-	415,062	-
Corporation tax payable		81,722	16,267	-	-
Other taxation and social security		823,054	718,571	-	-
Derivative financial instruments		-	106,513	-	-
Other creditors		747,136	1,006,538	-	-
Accruals and deferred income		2,214,336	1,947,058	-	-
		7,264,916	6,522,657	837,562	-

19 Creditors: amounts falling due after more than one year

		Group		Company	
		2019	2018	2019	2018
	Notes	£	£	£	£
Bank loans and overdrafts	20	-	25,552	-	-
Obligations under finance leases	21	-	16,287	-	-
Other borrowings	20	800,000	-	800,000	-
		800,000	41,839	800,000	-

20 Loans and overdrafts

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank loans	25,552	69,310	-	-
Invoice discounting	1,576,336	1,288,741	-	-
Other borrowings	1,222,500	-	1,222,500	-
	2,824,388	1,358,051	1,222,500	-
Payable within one year	2,024,388	1,332,499	422,500	-
Payable after one year	800,000	25,552	800,000	-

At the balance sheet date the bank facilities with National Westminster Bank Plc and RBS were secured by way of a debenture over all of the company's assets. Post year end, the Group refinanced with FGI Worldwide LLP who specialise in pan-European and cross border financing. Debentures over all company assets were transferred to FGI on completion of the transfer away from RBS.

Following the shareholder buy out, Daniel Mulholland holds share charges for relevant loan notes over Darwin Professional Staffing Group Ltd.

21 Finance lease obligations

	Group 2019	2018	Company 2019	2018
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	16,033	10,435	-	-
In two to five years	-	16,287	-	-
	16,033	26,722	-	-

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

22 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities 2019 £	Liabilities 2018 £	Assets 2019 £	Assets 2018 £
Accelerated capital allowances	14,299	20,011	-	-
Tax losses	-	-	104,211	48,531
	14,299	20,011	104,211	48,531

Company	Liabilities 2019 £	Liabilities 2018 £	Assets 2019 £	Assets 2018 £
Tax losses	-	-	10,000	-

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

23 Retirement benefit schemes

Defined contribution schemes	**2019** £	**2018** £
Charge to profit or loss in respect of defined contribution schemes	87,451	65,557

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

24 Share capital

Group	**2019**	**2018**
Ordinary share capital	**£**	**£**
Authorised		
800,000 ordinary class A shares of £1 each (2018: 1,000,000 shares of 0.001p each)	800,000	100
400,000 ordinary class B shares of £1 each (2018: 1,000,000 shares of 0.001p each)	400,000	100
257,150 ordinary class C shares of £1 each	275,150	-
	1,475,150	200

A, B and C shares have attached to them full dividend and voting rights but no rights of redemption. On a return of capital the amounts available for distribution shall be distributed proportionately.

25 Reserves

Included within capital and reserves are the following reserves, as set out below:

Other reserves

In April 2018, Darwin underwent a group reorganisation and shareholder buy out.

As a result of this reorganisation, a merger reserve was created in the Group balance sheet with a balance of £2,156,510 as at 28 February 2019.

Share premium account

Share premium account reserve represents the amounts above the nominal value of shares issued and called up by the Company.

Profit and loss account

The profit and loss account reserve represents the cumulative distributable profits and losses net of dividends and other adjustments.

26 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Within one year	346,619	384,158	-	-
Between two and five years	883,158	950,414	-	-
In over five years	46,967	181,159	-	-
	1,276,744	1,515,731	-	-

The operating leases represent leases of land and buildings from third parties. The leases are negotiated over terms of 2-10 years and rentals are fixed for the term of the lease. Leases include provisions for rent reviews according to prevailing market conditions. There are no options in place for either party to extend the lease terms.

27 Events after the reporting date

In July 2019, the Group has refinanced their invoice discounting facility with FGI Worldwide LLC. Under the receivables purchase agreement, the company has financing for up to €5.5m for a minimum period of 2 years. FGI Worldwide LLC hold both fixed and floating charges over the company's assets, with respect to this facility.

28 Related party transactions

The company has taken the exemption available in FRS 102 section 33 "Related Party Disclosures" whereby it has not disclosed transactions entered into during the year between two or more members of a group, as the company is a wholly owned subsidiary of the group to which it is party to the transactions.

At 28 February 2019, the group was owed £8,608 (2018: £9,007) by a director. The balance is unsecured, repayable on demand and no interest is charged.

At 28 February 2019, the group was owed £255,208 (2018: £nil) by a director. The balance is unsecured, repayable on demand and interest is charged at 5% per annum.

The group entered into transactions totalling £11,971 (2018 - £45,808) with the related entity during the year. As at the year end, the group owed the related entity £1,635 (2018 - £3,737).

29 Cash generated from group operations

	2019	2018
	£	£
Loss for the period after tax	(195,518)	(84,588)
Adjustments for:		
Taxation charged/(credited)	37,345	(27,430)
Finance costs	161,320	91,690
Investment income	(10,650)	(553)
Loss on disposal of tangible fixed assets	-	27,178
Fair value gains and losses on foreign exchange contracts and investment properties	(221,962)	(150,052)
Amortisation and impairment of intangible assets	5,282	-
Depreciation and impairment of tangible fixed assets	101,205	132,240
Movements in working capital:		
(Increase) in debtors	(18,428)	(488,826)
Increase/(decrease) in creditors	75,140	(242,633)
Foreign exchange differences	(58,821)	(16,814)
Cash absorbed by operations	(125,087)	(759,788)