

**TRAVAIL EMPLOYMENT GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

TRAVAIL EMPLOYMENT GROUP LIMITED

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TRAVAIL EMPLOYMENT GROUP LIMITED

Company Information

Directors	Mr A P Wyer Mr N C Elford Mr K Green
Company secretary	Mrs J C Mullan
Registered office	24 Southgate Street Gloucester GL1 2DP
Solicitors	Lutton Dunsford Solicitors 49 Brunswick Road Gloucester GL1 1JS
Bankers	National Westminster Bank Plc Commercial Banking 2nd Floor Trinity Quay 2 Avon Street Bristol BS2 0PT
Auditors	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX

TRAVAIL EMPLOYMENT GROUP LIMITED

Directors' Report for the Year Ended 31 December 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Principal activity

The principal activity of the company is that of an employment agency.

Directors of the company

The directors who held office during the year were as follows:

Mr A P Wyer

Mr N C Elford

Mr K Green

Dividends

The directors recommended a final dividend payment of £783,856 (2021 - £819,169) in respect of the financial year end 31 December 2022. This dividend has been recognised as a liability in the financial statements.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 26 September 2023 and signed on its behalf by:

Mr N C Elford
Director

TRAVAIL EMPLOYMENT GROUP LIMITED

Strategic Report for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

Business review

The results for the year, which are set out in the profit and loss account, show a pre-tax profit of £913,054 (2021 - £1,027,625). The directors consider that the business has performed in line with expectations during the year and the financial position at the year end is satisfactory.

Key performance indicators

Given the nature of the business, the company's directors are of the opinion that key performance indicators are important. The company uses a number of indicators to monitor and improve the development, performance and position of the business. Indicators are reviewed and altered to meet changes in the internal and external environments.

The company's key financial and other performance indicators during the year were as follows:

Financial KPIs	Unit	2022	2021
Turnover	£'000	12,971	13,893
Gross profit	£'000	4,262	4,142
Gross profit margin	%	33	30
Pre-tax profit	£'000	913	1,028
Net current assets	£'000	845	855
Trade debtors	£'000	1,524	1,716
Trade creditors	£'000	54	51

Financial instruments

The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk selling on credit and manages this through credit control procedures.

Future developments

The market in which the company operates remain bouyant and competitive. The directors continually monitor the market and the company performance against it in order to maintain a strong position.

Principal risks and uncertainties

The management of the company and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from other national employment agencies and changes in legislation affecting the employment industry.

Going concern

The directors have taken actions and prepared forecasts for the next 12 months and beyond that indicate that the company has sufficient resources to continue in operational existence for the foreseeable future. After reviewing those forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Approved by the Board on 26 September 2023 and signed on its behalf by:

Mr N C Elford
Director

TRAVAIL EMPLOYMENT GROUP LIMITED

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report, Strategic 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

TRAVAIL EMPLOYMENT GROUP LIMITED

Independent Auditor's Report to the Members of Travail Employment Group Limited

Opinion

We have audited the financial statements of Travail Employment Group Limited (the 'company') for the year ended 31 December 2022, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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.

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 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the 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.

TRAVAIL EMPLOYMENT GROUP LIMITED

Independent Auditor's Report to the Members of Travail Employment Group Limited

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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 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 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in and identified the key laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements, including the UK Companies Act and tax legislation, and, those that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgments made in accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
 - performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud;.
- enquiring of management concerning actual and potential litigation and claims and instances of non-compliance with laws

and regulations; and

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- reading minutes of meetings of those charged with governance.

TRAVAIL EMPLOYMENT GROUP LIMITED

Independent Auditor's Report to the Members of Travail Employment Group Limited

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at 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.

Ryan Hancock (Senior Statutory Auditor)

For and on behalf of Hazlewoods LLP, Statutory Auditor

Staverton Court

Staverton

Cheltenham

GL51 0UX

25 September 2023

TRAVAIL EMPLOYMENT GROUP LIMITED**Profit and Loss Account
for the Year Ended 31 December 2022**

	Note	2022 £	2021 £
Turnover	<u>3</u>	12,970,842	13,893,423
Cost of sales		<u>(8,708,999)</u>	<u>(9,751,228)</u>
Gross profit		4,261,843	4,142,195
Administrative expenses		(3,365,248)	(3,176,133)
Other operating income	<u>4</u>	<u>12,500</u>	<u>61,206</u>
Operating profit	<u>5</u>	909,095	1,027,268
Interest receivable and similar income		<u>3,959</u>	<u>357</u>
Profit before tax		913,054	1,027,625
Taxation	<u>9</u>	<u>(161,741)</u>	<u>(208,456)</u>
Profit for the financial year		<u><u>751,313</u></u>	<u><u>819,169</u></u>

The above results were derived from continuing operations.

The company has no other comprehensive income for the year other than the above.

TRAVAIL EMPLOYMENT GROUP LIMITED

(Registration number: 01334361)

Balance Sheet

as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>10</u>	516,512	508,587
Investments	<u>11</u>	200	200
		<u>516,712</u>	<u>508,787</u>
Current assets			
Stocks		2,916	2,742
Debtors	<u>12</u>	1,586,223	1,761,302
Cash at bank and in hand	<u>13</u>	1,222,909	1,345,722
		2,812,048	3,109,766
Creditors: Amounts falling due within one year	<u>14</u>	<u>(1,967,140)</u>	<u>(2,254,860)</u>
Net current assets		<u>844,908</u>	<u>854,906</u>
Total assets less current liabilities		1,361,620	1,363,693
Provisions for liabilities	<u>9</u>	<u>(23,666)</u>	<u>(25,739)</u>
Net assets		<u>1,337,954</u>	<u>1,337,954</u>
Capital and reserves			
Called up share capital	<u>17</u>	6,998	6,998
Share premium reserve		34,332	34,332
Revaluation reserve		195,562	197,004
Retained earnings		<u>1,101,062</u>	<u>1,099,620</u>
Total equity		<u>1,337,954</u>	<u>1,337,954</u>

Approved and authorised by the Board on 26 September 2023 and signed on its behalf by:

Mr K Green
Director

TRAVAIL EMPLOYMENT GROUP LIMITED

Statement of Changes in Equity for the Year Ended 31 December 2022

	Share capital £	Share premium £	Revaluation reserve £	Retained earnings £	Total £
At 1 January 2021	6,998	34,332	198,446	1,098,178	1,337,954
Profit for the year	-	-	-	819,169	819,169
Dividends	-	-	-	(819,169)	(819,169)
Transfers	-	-	(1,442)	1,442	-
At 31 December 2021	6,998	34,332	197,004	1,099,620	1,337,954
	Share capital £	Share premium £	Revaluation reserve £	Retained earnings £	Total £
At 1 January 2022	6,998	34,332	197,004	1,099,620	1,337,954
Profit for the year	-	-	-	751,313	751,313
Dividends	-	-	-	(751,313)	(751,313)
Transfers	-	-	(1,442)	1,442	-
At 31 December 2022	6,998	34,332	195,562	1,101,062	1,337,954

TRAVAIL EMPLOYMENT GROUP LIMITED

Statement of Cash Flows for the Year Ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit for the year		751,313	819,169
Adjustments to cash flows from non-cash items:			
Depreciation	5	97,915	96,057
Profit on disposal of tangible fixed assets	5	(38,495)	(4,712)
Interest received		(3,959)	(357)
Taxation	9	161,741	208,456
		968,515	1,118,613
Working capital adjustments:			
(Increase)/decrease in stock		(174)	262
Decrease/(increase) in debtors	12	175,079	(112,801)
Decrease in creditors	14	(243,372)	(359,354)
Cash generated from operations		900,048	646,720
Income taxes paid		(208,162)	(83,654)
Net cash flow from operating activities		691,886	563,066
Cash flows from investing activities			
Interest received		3,959	357
Purchases of tangible fixed assets		(105,840)	(48,724)
Proceeds from sale of tangible fixed assets		38,495	7,601
Net cash flows from investing activities		(63,386)	(40,766)
Cash flows from financing activities			
Dividends paid		(751,313)	(819,169)
Net cash flows from financing activities		(751,313)	(819,169)
Net decrease in cash and cash equivalents		(122,813)	(296,869)
Cash and cash equivalents at 1 January		1,345,722	1,642,591
Cash and cash equivalents at 31 December		1,222,909	1,345,722
Analysis of changes in net debt			
		At 1 January 2022 £	At 31 December 2022 £
Cash and cash equivalents			
Cash		1,345,722	1,345,722

TRAVAIL EMPLOYMENT GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2022

1 General information

The company is a private company limited by share capital, incorporated in United Kingdom.

The address of its registered office is:
24 Southgate Street
Gloucester
GL1 2DP

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a medium sized group. Although the Companies Act 2006 requires medium sized groups to prepare consolidated accounts, the company has not prepared them on the basis that the results and net assets of the subsidiary undertakings are not material to the group.

Judgements and estimation uncertainty

These financial statements do not contain any significant judgements or estimation uncertainty.

Going concern

The directors have taken actions and prepared forecasts for the next 12 months and beyond that indicate that the company has sufficient resources to continue in operational existence for the foreseeable future. After reviewing those forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

TRAVAIL EMPLOYMENT GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2022

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the placement of temporary and permanent staff in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Tax

The tax expense for the period comprises UK corporation tax and deferred tax. Tax is recognised in the profit or loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax asset so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible fixed assets are stated in the balance sheet at cost or valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of tangible fixed assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost or valuation of assets, other than land over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land	Nil
Freehold buildings	Over 100 years
Fixtures and fittings	20% - 33% of cost per annum
Motor vehicles	33% - 45% of written down value

TRAVAIL EMPLOYMENT GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2022

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stock is valued at the lower of cost and net realisable value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the obligation to pay the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

TRAVAIL EMPLOYMENT GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2022

Financial instruments

Classification

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other receivables and payables, loans from related parties and investments in non-puttable ordinary shares.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Recognition and measurement

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an assets carrying value and the present value of estimated cash flows discounted at the assets original effective interest rate.

3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2022 £	2021 £
Temporary and permanent placements in the United Kingdom	12,970,842	13,893,423

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2022 £	2021 £
Government grants	-	39,375
Miscellaneous other operating income	12,500	21,831
	12,500	61,206

The company received grants in relation to the Coronavirus Job Retention Scheme (CJRS) of £nil (2021: £39,375).

5 Operating profit

Arrived at after charging:

	2022 £	2021 £
Depreciation expense	97,915	96,057
Operating lease expense	89,335	86,771
Profit on disposal of tangible fixed assets	(38,495)	(4,712)

6 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	16,650	16,540

TRAVAIL EMPLOYMENT GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2022

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2022	2021
	£	£
Wages and salaries	2,221,639	2,100,717
Social security costs	261,756	233,860
Pension costs, contribution scheme	168,214	169,991
	<u>2,651,609</u>	<u>2,504,568</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2022	2021
	No.	No.
Administration and support	14	13
Sales, marketing and distribution	39	28
	<u>53</u>	<u>41</u>

8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022	2021
	£	£
Remuneration (including benefits in kind)	653,037	641,490
Contributions paid to pension schemes	81,591	83,272
	<u>734,628</u>	<u>724,762</u>

TRAVAIL EMPLOYMENT GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2022

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2022 No.	2021 No.
Accruing benefits under pension scheme	2	2

In respect of the highest paid director:

	2022 £	2021 £
Remuneration	261,299	232,431
Company contributions to pension schemes	36,190	35,272

9 Taxation

Tax charged in the profit and loss account

	2022 £	2021 £
Current taxation		
UK corporation tax	167,863	208,613
UK corporation tax adjustment to prior periods	(4,049)	(4,435)
Deferred taxation		
Arising from origination and reversal of timing differences	5,193	680
Arising from changes in tax rates and laws	1,640	-
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	(8,906)	3,598
	161,741	208,456

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £	2021 £
Profit before tax	913,054	1,027,625
Corporation tax at standard rate	173,480	195,249
Fixed asset differences	167	648
Expenses not deductible for tax purposes	540	-
Other tax adjustments, reliefs and transfers	(1,131)	7,220
Adjustments to tax charge in respect of previous periods	(4,049)	-
Adjustments to tax charge in respect of previous periods - deferred tax	(8,906)	(837)
Remeasurement of deferred tax for changes in tax rates	1,640	6,176
Total tax charge	161,741	208,456

TRAVAIL EMPLOYMENT GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2022

Deferred tax

Deferred tax assets and liabilities

	Liability £
2022	
Differences between accumulated depreciation and capital allowances	(21,038)
Other timing differences	(5,243)
Revaluation gain on property	49,947
	<u>23,666</u>

	Liability £
2021	
Differences between accumulated depreciation and capital allowances	(17,956)
Other timing differences	(6,252)
Revaluation gain on property	49,947
	<u>25,739</u>

10 Tangible assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2022	485,000	89,915	190,015	764,930
Additions	-	13,221	92,619	105,840
Disposals	-	(42,113)	(46,970)	(89,083)
At 31 December 2022	<u>485,000</u>	<u>61,023</u>	<u>235,664</u>	<u>781,687</u>
Depreciation				
At 1 January 2022	37,488	63,347	155,508	256,343
Charge for the year	3,408	15,144	79,363	97,915
Eliminated on disposal	-	(42,113)	(46,970)	(89,083)
At 31 December 2022	<u>40,896</u>	<u>36,378</u>	<u>187,901</u>	<u>265,175</u>
Carrying amount				
At 31 December 2022	<u>444,104</u>	<u>24,645</u>	<u>47,763</u>	<u>516,512</u>
At 31 December 2021	<u>447,512</u>	<u>26,568</u>	<u>34,507</u>	<u>508,587</u>

Revaluation

The fair value of the company's freehold land and buildings was revalued on 31 December 2015 by an independent valuer. This value has been treated as deemed cost following transition for FRS 102. Had this class of asset been measured on a historical cost basis, their carrying amount would have been £248,542 (2021 - £250,508).

TRAVAIL EMPLOYMENT GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2022

11 Investments in subsidiaries

£

Cost and net book value

At 1 January 2022 and at 31 December 2022

200

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2022	2021
Travail Franchise Limited (dormant)	United Kingdom	Ordinary	100%	100%
Travail Employment Limited (dormant)	United Kingdom	Ordinary	100%	100%

12 Debtors

	2022 £	2021 £
Trade debtors	1,523,612	1,716,019
Prepayments and accrued income	62,611	45,283
	<u>1,586,223</u>	<u>1,761,302</u>

13 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	4,000	3,000
Cash at bank	<u>1,218,909</u>	<u>1,342,722</u>
	<u>1,222,909</u>	<u>1,345,722</u>

14 Creditors

	2022 £	2021 £
Due within one year		
Trade creditors	53,823	50,831
Amounts owed to group undertakings	200	200
Social security and other taxes	554,559	788,840
Outstanding defined contribution pension costs	64,856	36,852
Other creditors	751,313	857,169
Accruals and deferred income	378,124	312,355
Corporation tax liability	<u>164,265</u>	<u>208,613</u>
	<u>1,967,140</u>	<u>2,254,860</u>

15 Dividends

The directors declared a final dividend of £751,313 (2021 - £819,169).

Dividends of £280,998 (2021 - £342,870) were payable to the company's directors.

TRAVAIL EMPLOYMENT GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2022

16 Contribution pension scheme

The company operates a contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £168,214 (2021 - £169,991). Contributions totalling £64,856 (2021 - £36,852) were payable to the scheme at the end of the year and are included in creditors.

17 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	4,950	4,950	4,950	4,950
Non-voting shares of £1 each	2,048	2,048	2,048	2,048
	<u>6,998</u>	<u>6,998</u>	<u>6,998</u>	<u>6,998</u>

The company's issued Ordinary shares of £1 are divided into five separate classes:

1,150 - £1 Ordinary voting 1 shares

1,150 - £1 Ordinary voting 2 shares

1,150 - £1 Ordinary voting 3 shares

1,150 - £1 Ordinary voting 4 shares

350 - £1 C Ordinary shares

These shares rank pari-passu in all respects, except they have separate rights to dividends.

The non-voting shares rank equally with the Ordinary shares in all respects except that they do not confer upon the holders any rights to receive notices of, or attend, or vote at, General Meetings of the company.

18 Obligations under operating leases

The total of future minimum lease payments is as follows:

	2022	2021
	£	£
Not later than one year	39,250	39,250
Later than one year and not later than five years	<u>54,146</u>	<u>93,396</u>
	<u>93,396</u>	<u>132,646</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £39,250 (2021 - £39,250).

19 Related party transactions

Group

The company has taken advantage of the exemption from disclosing transactions with other members of the group.

Self Invested Pension Plan (where a director is a beneficiary)

During the year the company paid rentals of £14,750 (2021 - £14,750) in connection with a property it occupies. At the balance sheet date no amounts (2021 - no amounts) were owed to the Self Invested Pension Plan.

TRAVAIL EMPLOYMENT GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2022

Summary of transactions with key management

Key management personnel are considered to be the directors of the company and key management personnel compensation is disclosed in note 8 to the financial statements.

20 Parent and ultimate parent undertaking

The company is not controlled by a single entity.

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