Sue Hill Recruitment & Services Limited

Consolidated annual report and audited financial statements

Registered number 03484222

30 June 2023

Company Information

Directors	S R Brennan J R Cotton
Secretary	Ashdon Business Services Limited
Company number	03484222
Registered office	3rd Floor 86-90 Paul Street London EC2A 4NE
Senior statutory auditor	Zara Dunster FCA
Auditor	Town & Forest Chartered Accountants & Statutory Auditors First Floor, New Barnes Mill Cottonmill Lane St Albans AL1 2HA

Contents

Strategic Report

The directors present the Strategic Report for the year ended 30 June 2023.

Sue Hill Recruitment & Services Limited (the "Company") and its subsidiary TFPL Limited, defined as the "Group", are leading recruitment consultancies based in the UK providing both temporary and permanent recruitment solutions specialising in Knowledge and Information Management. Sue Hill Recruitment & Services Limited has a well-established client based within the Public Sector arena whilst TFPL Limited focuses within the Private Sector with clients ranging from the Legal, Banking and Business Consultancy arena.

Fair review of the business

The loss for the year after taxation amounted to £14,345 (2022: loss of £48,164).

Over the past year, the businesses have adeptly navigated a dynamic and challenging recruitment landscape, marked by persistent candidate shortages in 2022 and 2023. Despite these challenges, we have demonstrated adaptability, innovation, and an unwavering commitment to delivering exceptional services to our clients.

Operational excellence remains a cornerstone of our strategy. Significant strides have been made to optimize internal processes, review fee structures, and enhance compliance protocols. These efforts have translated into tangible results, yielding improved operational efficiencies and notable cost savings.

Recognising the evolving needs of our clients, Sue Hill Recruitment & Services Limited and TFPL Limited strategically invested in expanding our service offerings. We are pleased to announce the successful diversification of our recruitment solutions to encompass Accountancy and Finance, Sales and Marketing, and IT and Cyber Security. This expansion aligns seamlessly with our commitment to providing comprehensive talent solutions across diverse sectors.

Our ability to remain fully operational and deliver high-quality services has underscored our adaptability. Despite challenges in temporary business revenue streams, we are delighted to report growth in permanent revenues. This strategic focus on diversification and adaptability positions us well to capitalize on emerging opportunities in the post-pandemic business environment.

Looking ahead, our strategic vision is to consolidate our position as a leading player in Knowledge and Information Management recruitment, while expanding our recruitment offering into new verticals. The successful implementation of our diversification strategy and continued commitment to operational excellence will play a pivotal role in our sustained growth.

We are confident that our strategic initiatives will pave the way for a prosperous future for Sue Hill Recruitment & Services Limited and TFPL Limited. As we continue to navigate the intricate landscape of the recruitment sector, our commitment to excellence and adaptability will remain steadfast.

Principal risks and uncertainties

The principal risks and uncertainties facing the Group and Company are as follows:

Technological development – the risk of potential advances in technology making current products obsolete. This risk is mitigated by continued investment in new technologies and the development of its existing product portfolio.

Operational risk – the risks of failing to deliver, or providing inappropriate delivery of, our recruitment services to both Clients and candidates. These risks are mitigated by development reviews prior to delivery of products and services.

Information security – serious data breaches, external attacks and employee violation of company security policy. This risk is mitigated by the continuous independent review of our information security.

Market risk – geographic instability affecting business confidence, which causes uncertainty for investment decisions and product delivery. This risk is mitigated by the continuous review of the markets in which it operates and by robust, advance investment appraisal.

Strategic Report *(continued)*

Personnel risks – losing the services of key managers and employees or delays in finding suitable replacements. This risk is mitigated by the recruitment policies and incentive programmes.

Reliance on public sector contracts – the risk that changes in the political environment in any of the geographies in which we operate, when such changes are clearly beyond our control, could lead, for instance, to loss of business or reduction of the associated margin. We seek to mitigate this risk through ensuring our product offerings are compelling and competitive and by increasing the geographic spread of customers.

Credit risk – the Group and Company's principle financial assets are cash and trade debtors. The credit risk associated with cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from its trade debtors. In order to manage credit risk, management reviews the debt ageing on an ongoing basis, together with the collection history and third-party credit references where appropriate.

Liquidity risk – the directors seek to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Key performance indicators
The Sue Hill Recruitment & Services Limited Management team believe that KPIs are an important component of measuring the Group's progress towards its goals. The Management team reflect on whether the chosen KPIs are relevant over time. KPIs are selected to help provide a deeper understanding of all aspects of the business from manufacture through customer satisfaction.

The group key financial and other performance indicators during the year were as follows:

	2023	2022
Turnover	**1,296,199**	1,403,791
Gross profit	**543,409**	484,127

On behalf of the board

S R Brennan
Director

Date: 15/04/2024

Directors' Report

The directors present their annual report and audited financial statements for the year ended 30 June 2023.

Principal activities
The principal activity of Sue Hill Recruitment & Services Limited and its subsidiary TFPL Limited is the recruitment of Knowledge and Information Management specialists.

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

S R Brennan
J R Cotton (appointed 18 August 2023)

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

The functional currency of the Group is Pounds Sterling and the presentational currency for the Group is Pounds Sterling.

The loss for the Group for the year, after taxation, amounted to £14,345 (2022: loss of £48,164).

The directors do not recommend payment of a dividend for the year (2022: £nil).

Post reporting date events
There are no post reporting date events which would have a material impact on the financial statements.

Future developments
We expect the business to make further progress as we continue to win new work and extend relationships with existing clients.

Auditor
The auditors, Town & Forest, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Strategic report
The Group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the Group's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of the review of the business, principal risks and uncertainties and financial risks.

Financial instruments and financial risk management objectives and policies
The Group uses various financial instruments which include cash and items such as trade debtors and trade creditors that arise directly from its operations.

Credit risk
The Group's principle financial assets are cash and trade debtors. The credit risk associated with cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from its trade debtors.

In order to manage credit risk, management reviews the debt ageing on an ongoing basis, together with the collection history and third-party credit references where appropriate.

Liquidity risk
The Group seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Group continues to enjoy the support from within the wider Group.

Directors' Report *(continued)*

Going concern
In accordance with the responsibilities as directors, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements and continue to adopt the going concern basis in preparing the financial statements. The directors are satisfied that in all scenarios, including severe but plausible downsides, there is sufficient liquidity to continue operating for at least 12 months from the signing of these financial statements.

Employees
Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when policy decisions are made that are likely to affect their interests, and that all employees are aware of the financial and economic performance of their business units and of the Group as a whole.

Communication with all employees continues through the range of channels outlined in the Strategic Report.

Disabled persons
Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability and we will consider all reasonable adjustments to achieve that aim.

Business relationships
The directors value the importance of good business relationships and understand the need to build, maintain and develop that rapport with its publishers, suppliers and customers. All decisions taken during the year by the directors have taken these relationships into consideration.

Statement of disclosure to auditor
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as director in order to be aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

On behalf of the board

....
S R Brennan
Director

Date: 15/04/2024

Statement of directors' responsibilities in respect of the annual report and the audited financial statements

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 prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 parent company and of their profit or loss of the group for that period. In preparing each of the Group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable, relevant and reliable;
- assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. The directors are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Sue Hill Recruitment & Services Limited

Opinion

We have audited the financial statements of Sue Hill Recruitment & Services Limited ("the Group") for the year ended 30 June 2023 which comprise the consolidated statement of profit and loss and other comprehensive income, consolidated balance sheet, company balance sheet, consolidated statement of changes in equity, company statement of changes in equity, consolidated cash flow statement and related notes, including the accounting policies.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 30 June 2023 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the company or to cease their operations, and they have concluded that the Group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the company will continue in operation.

Strategic Report and Directors' Report

The directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic Report and the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

Independent auditor's report to the members of Sue Hill Recruitment & Services Limited *(continued)*

- we have not identified material misstatements in the Strategic Report and the Directors' Report.
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, assessing the Group and 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 they 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

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to the Companies Act 2006 and FRS 102.

We assessed the risks of material misstatement in respect of fraud as follows: we made full enquiries with management and those charged with governance. As part of our fraud discussions, we discussed particular areas we believed to be susceptible to misstatement. Also during our audit, we paid particular attention to looking for any related party transactions and these transactions are disclosed in the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of the Auditor's Report.

Independent auditor's report to the members of Sue Hill Recruitment & Services Limited *(continued)*

The purpose of our audit work and to whom we owe our responsibilities

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.

Zara Dunster FCA (Senior Statutory Auditor)
for and on behalf of Town & Forest
Chartered Accountants & Statutory Auditors
First Floor
New Barnes Mill
Cottonmill Lane
St Albans
AL1 2HA

16 April 2024

Consolidated Income Statement
for year ended 30 June 2023

	Notes	2023	2022
		£	£
Turnover	2	**1,296,199**	1,403,791
Cost of sales		**(752,790)**	(919,664)
Gross profit		**543,409**	484,127
Administrative expenses	3	**(563,717)**	(545,779)
Operating loss		**(20,308)**	(61,652)
Other income	5	**-**	13,488
Interest receivable and similar income	6	**2**	-
Loss before tax		**(20,306)**	(48,164)
Taxation	7	**5,961**	-
Loss for the year		**(14,345)**	(48,164)

All activity, in both the current and prior years, relate to continuing operations.

There are no other items of other comprehensive income for the current or prior period. Therefore, no separate statement of other comprehensive income has been prepared.

The notes on pages 15 to 29 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

at 30 June 2023

	Notes	2023	2022
		£	£
Fixed assets			
Tangible assets	8	**1,090**	-
Total non-current assets		**1,090**	-
Current assets			
Debtors	10	**106,894**	244,289
Cash at bank and in hand	11	**135,247**	130,783
Total current assets		**242,141**	375,072
Total assets		**243,231**	375,072
Creditors: amounts falling due within one year	12	**(116,651)**	(234,147)
Total liabilities		**(116,651)**	(234,147)
Net assets		**126,580**	140,925
Capital and reserves			
Called up share capital	13	**2**	2
Profit and loss account	14	**11,279**	25,624
Merger reserve	14	**114,299**	114,299
Other reserves	14	**1,000**	1,000
Total shareholders' funds		**126,580**	140,925

The notes on pages 15 to 29 are an integral part of these consolidated financial statements.

These financial statements were approved by the board of directors on 15/04/24 and were signed on its behalf by:

S R Brennan

Director

Company registered number: 03484222

Company Statement of Financial Position
at 30 June 2023

	Notes	2023	2022
		£	£
Fixed assets			
Investments	9	**1**	1
Tangible assets	8	**1,090**	-
Total non-current assets		**1,091**	1
Current assets			
Debtors	10	**232,497**	430,528
Cash at bank and in hand	11	**57,952**	46,849
Total current assets		**290,449**	477,377
Total assets		**291,540**	477,378
Creditors: amounts falling due within one year	12	**(83,890)**	(189,307)
Total liabilities		**(83,890)**	(189,307)
Net assets		**207,650**	288,071
Capital and reserves			
Called up share capital	13	**2**	2
Profit and loss account	14	**207,648**	288,069
Shareholder's funds		**207,650**	288,071

The notes on pages 15 to 29 are an integral part of these consolidated financial statements.

The loss of the Company for the year was £80,421 (2022: £98,691).

As permitted by s408 Companies Act 2006, the Company has not presented its own statement of comprehensive income and related notes as it prepares group financial statements. The Company's loss for the year is shown above.

These financial statements were authorised and approved by the board of directors on 15/04/24 and were signed on its behalf by:
15/04/2024.

S R Brennan

Director
Company registered number: 03484222

Consolidated Statement of Changes in Equity

at 30 June 2023

	Notes	Called up share capital £	Profit and loss account £	Merger reserve £	Other reserves £	Total shareholders' funds £
Balance at 1 July 2021	13, 14	**2**	**73,788**	**114,299**	**1,000**	**189,089**
Total comprehensive loss for the period						
Loss for the period		-	(48,164)	-	-	**(48,164)**
Balance at 30 June 2022	13, 14	**2**	**25,624**	**114,299**	**1,000**	**140,925**
Total comprehensive loss for the period						
Loss for the period		-	(14,345)	-	-	**(14,345)**
Balance at 30 June 2023	13, 14	**2**	**11,279**	**114,299**	**1,000**	**126,580**

The notes on pages 15 to 29 are an integral part of these consolidated financial statements.

Company Statement of Changes in Equity

at 30 June 2023

	Notes	Called up share capital £	Profit and loss account £	Total shareholders' funds £
Balance at 1 July 2021	13, 14	**2**	**386,760**	**386,762**
Total comprehensive loss for the period				
Loss for the period		-	(98,691)	**(98,691)**
Balance at 30 June 2022	13, 14	**2**	**288,069**	**288,071**
Total comprehensive loss for the period				
Loss for the period		-	(80,421)	**(80,421)**
Balance at 30 June 2023	13, 14	**2**	**207,648**	**207,650**

The notes on pages 15 to 29 are an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement

for year ended 30 June 2023

	Notes	2023	2022
		£	£
Cash flows from operating activities			
Loss for the year		**(14,345)**	(48,164)
Adjustments for:			
Depreciation	3	**252**	561
Decrease in debtors	10	**137,395**	137,857
Decrease in creditors	12	**(117,496)**	(123,412)
Net cash generated from/(used in) operating activities		**5,806**	(33,158)
Cash flows from operating activities			
Purchase of tangible assets		**(1,342)**	-
Net cash used in investing activities		**(1,342)**	-
Net cash used in financing activities		**-**	-
Net increase/(decrease) in cash and cash equivalents		**4,464**	(33,158)
Cash and cash equivalents at 1 July	11	**130,783**	163,941
Cash and cash equivalents at 30 June	11	**135,247**	130,783

The notes on pages 15 to 29 are an integral part of these consolidated financial statements.

The movement in cash and cash equivalents represents the change in net debt for the year.

Notes
(forming part of the financial statements)

1 Accounting policies

1.1 Company Information

Sue Hill Recruitment & Services Limited ("the Company") is a limited company limited by shares, domiciled and incorporated in England.

The registered number is 03484222 and the registered office is 3rd Floor, 86-90 Paul Street, London, EC2A 4NE. The Group consists of Sue Hill Recruitment & Services Limited and all of its subsidiaries ("the Group"). The Company's and the Group's principal activities are disclosed in the Directors' Report.

1.2 Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£). The Company's functional and presentational currency is Pound Sterling.

The group financial statements consolidate the financial statements of Sue Hill Recruitment & Services Limited and all its subsidiary undertakings drawn up to 30 June each year.

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Income Statement in these financial statements.

The parent company has not prepared its own statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, include the company's cash flows.

1.3 Going concern

In accordance with the responsibilities as directors, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements and continue to adopt the going concern basis in preparing the financial statements. The directors are satisfied that in all scenarios, including severe but plausible downsides, there is sufficient liquidity to continue operating for at least 12 months from the signing of these financial statements.

1.4 Basis of consolidation

Merger Accounting

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 30 June 2023.

Merger accounting principles give rise to a merger reserve in the consolidated financial position, being the difference between the carrying value of the assets and liabilities acquired under merger accounting to the cost of the investment.

Notes *(continued)*

1 Accounting policies *(continued)*

1.4 Basis of consolidation (continued)

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.5 Foreign currency

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 the translation in the period are included in the profit or loss.

1.6 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, 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.

Notes *(continued)*

1 Accounting policies *(continued)*

***1.6 Financial instruments** (continued)*

Impairment of financial assets

Financial assets, other than those held at fair value through profit or 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 company 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 company after deducting all of its liabilities.

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

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 that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. 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 company's contractual obligations expire or are discharged or cancelled.

Notes *(continued)*

1 Accounting policies *(continued)*

1.7 Tangible assets

Tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

If significant parts of an item of a tangible asset have different useful lives, then they are accounted for as separate items (major components) of tangible asset. Any gain or loss on disposal of an item of tangible asset is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation is provided on all other items of tangible asset so as to write off their carrying value over their expected useful economic lives. It is provided at the following range:

- Fixture and fittings 25%
- Office equipment 25%
- Computer equipment 25%

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

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 Investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses in the individual financial statements. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.9 Impairment of assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

Notes *(continued)*

1 Accounting policies *(continued)*

1.9 Impairment of assets (continued)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.10 Cash and cash equivalents

Cash and cash equivalents 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 Equity instruments

Equity instruments issued by the company 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 company.

1.12 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

The Group derives its turnover from recruitment services. Recruitment turnover from permanent placements is recognised in the month when the placement starts. Turnover from contractual recruitment is recognised as the service is performed.

1.13 Other income

Other income relates to the Coronavirus Job Retention Scheme (CJRS). CJRS payments received ceased in the year ended 30 June 2022.

Under the accrual model, government grants relating to revenue expenditure are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. This means that the grant will still be recognised on a straight-line basis over the period of furlough.

Payments received under the CJRS are made to offset deductible revenue costs. Hence, they are included as income in the calculation of the Group's profits or losses for corporation tax purposes in accordance with normal principles.

1.14 Expenses

Financing income and expenses

Financing expenses include interest payable, finance charges on shares classified as liabilities recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the income statement (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Financing income comprise interest receivable on funds invested, dividend income, and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Notes *(continued)*

1 Accounting policies *(continued)*

1.15 Employee benefits

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

1.16 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.17 Accounting estimates and judgements

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.

Critical accounting judgements in applying the Group's accounting policies

During the year the directors have considered there to be no significant judgements, estimates and assumptions on amounts recognised in the financial statements.

Notes *(continued)*

2 Turnover

Disaggregation of turnover

In the following table, turnover is disaggregated by major products/service lines. All turnover arose within the United Kingdom.

	2023	2022
	£	£
Major products/service lines		
Temporary position sales	**941,099**	1,138,627
Permanent position sales	**355,065**	264,982
Other recruitment services	**35**	182
	1,296,199	1,403,791

3 Operating loss

Operating loss for the year is stated after:

	2023	2022
	£	£
Depreciation of owned tangible assets (see note 8)	**252**	561
Auditor remuneration for financial statements of the Group and Company	**5,000**	4,000
Auditor remuneration for financial statements of subsidiary undertaking	**4,000**	3,000

4 Staff numbers and costs

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

	2023	2022
	No.	No
Directors	1	1
Operations	6	6
	7	7

The aggregate payroll costs of these persons were as follows:

	2023	2022
	£	£
Wages and salaries	**369,596**	356,423
Social security costs	**45,496**	41,062
Contributions to defined contribution plans	**10,534**	10,747
	425,626	408,232

The Company has 5 employees, including directors (2022: 5)

Notes *(continued)*

4 Staff numbers and costs *(continued)*

Directors' remuneration

Emoluments for the director who served during the year were as follows:

	2023	2022
	£	£
Aggregate remuneration	**60,000**	60,000
Contributions to defined contribution pension plans	**5,214**	5,214
	65,214	65,214

Post-employment benefits are accruing for one director (2022: 1) under defined contribution schemes.

No director exercised share options in the parent company's shares during the year (2022: none).

No director received shares under a long-term incentive scheme (2022: none).

5 Other income

Recognised in profit and loss:

	2023	2022
	£	£
Government grant income	**-**	13,488
Total other income	**-**	13,488

6 Interest receivable and similar income

Recognised in profit and loss:

	2023	2022
	£	£
Bank interest received	**2**	-
Total interest receivable and similar income	**2**	-

Notes *(continued)*

7 Income tax

a) Recognised in the income statement

	2023	2022
	£	£
Current tax		
Consideration for losses surrendered to group undertakings	(5,961)	-
Taxation credit on loss on ordinary activities	(5,961)	-

b) Reconciliation of effective tax rate

Tax assessed for the year is lower (2022: higher) than the standard rate of corporation tax in the UK for the year ended 30 June 2023 of 20.5% (2022: 19%). The differences are explained below:

	2023	2022
	£	£
Loss before tax	(20,306)	(48,164)
Tax using the UK corporation tax rate of 20.5% (2022: 19%)	(4,162)	(9,151)
Expenses not deductible for tax purposes	724	5
Timing differences	(871)	(555)
Losses for which no deferred tax has been provided	14,992	19,076
Group relief	(16,644)	(9,375)
Total tax credit	(5,961)	-

c) Tax rate changes

In the March 2021 Budget, the government announced an increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) which was substantively enacted by the Group during the financial year.

There are no future factors at the reporting date that are expected to impact the Group's future tax charge.

Company

In the year ended 30 June 2023, the Company had a tax credit of £20,746 (2022: £nil).

Notes *(continued)*

8 Tangible fixed assets

Group

	Fixtures and fittings £	Office Equipment £	Computer Equipment £	Total £
Cost				
Balance 1 July 2022	7,552	1,838	24,832	34,222
Additions	-	-	1,342	1,342
Disposals	(7,552)	(1,838)	(24,832)	(34,222)
Balance at 30 June 2023	-	-	**1,342**	**1,342**
Depreciation and impairment				
Balance at 1 July 2022	7,552	1,838	24,832	34,222
Depreciation charge for the year	-	-	252	252
Depreciation eliminated on disposals	(7,552)	(1,838)	(24,832)	(34,222)
Balance at 30 June 2023	-	-	**252**	**252**
Net book value				
At 30 June 2023	-	-	**1,090**	**1,090**
At 30 June 2022	-	-	-	-

Company

	Fixtures and fittings £	Computer Equipment £	Total £
Cost			
Balance 1 July 2022	6,909	20,408	27,317
Additions	-	1,342	1,342
Disposals	(6,909)	(20,408)	(27,317)
Balance at 30 June 2023	-	**1,342**	**1,342**
Depreciation and impairment			
Balance at 1 July 2022	6,909	20,408	27,317
Depreciation charge for the year	-	252	252
Depreciation eliminated on disposals	(6,909)	(20,408)	(27,317)
Balance at 30 June 2023	-	**252**	**252**
Net book value			
At 30 June 2023	-	**1,090**	**1,090**
At 30 June 2022	-	-	-

Notes *(continued)*

9 Fixed asset investments

Company	**Total**
	£
Cost and NBV	
Balance at 30 June 2022 and 30 June 2023	**1**
	1

The company has the following investments in subsidiaries:

Name of undertaking	**Registered Office**	**Nature of business**	**Classes of shares held**	**% Held directly**
TFPL Limited	3rd Floor, 86-90 Paul Street, London, EC2A 4NE	Other activities of employment placing agencies	Ordinary	100

10 Debtors

	Group		**Company**	
	2023	2022	**2023**	2022
	£	£	**£**	£
Amounts falling due within one year:				
Trade debtors	**95,743**	146,385	**53,236**	95,308
Amounts due from related parties	**5,961**	79,152	**5,961**	79,152
Amounts due from subsidiary undertakings	**-**	-	**169,374**	238,393
Other debtors	**100**	533	**-**	533
Prepayments and accrued income	**5,090**	6,459	**3,926**	5,382
Customer deposit accounts	**-**	11,760	**-**	11,760
	106,894	244,289	**232,497**	430,528

There are no amounts included within trade debtors that fall due after more than one year (2022: £nil).

There are no provisions for bad debts included within trade debtors in the current year (2022: £nil).

Amounts owed from subsidiary undertakings and related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Notes *(continued)*

11 Cash at bank and in hand

	Group 2023 £	2022 £	Company 2023 £	2022 £
Cash at bank and in hand	**135,247**	130,783	**57,952**	46,849

12 Creditors

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts falling due within one year:				
Trade creditors	**3,746**	21,210	**2,572**	18,460
Amounts due to related parties	**-**	60,000	**-**	60,000
Accruals and deferred income	**33,311**	58,481	**24,997**	48,651
Other taxation and social security	**71,500**	87,213	**54,245**	60,485
Other creditors	**8,094**	7,243	**2,076**	1,711
	116,651	234,147	**83,890**	189,307

All trade and other payables are expected to be settled within 12 months.

Debentures with HSBC Bank Plc include fixed and floating charges over the undertaking including all property and assets held.

Amounts owed to related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

13 Share capital – Group and Company

Ordinary share capital

No of allotted, issued and fully paid	Class:	Nominal value:	2023 £	2022 £
2	Ordinary Shares	£1.00	2	2

Notes *(continued)*

14 Reserves

Called up share capital – represents the nominal value of shares that have been issued.

Profit and loss account – includes all current and prior period retained profits and losses.

Merger reserve account – represents the difference between carrying value of the assets and liabilities acquired under merger accounting to the cost of investment.

Other reserves – this relates to the share capital redemption reserve.

15 Financial instruments

Group

Financial assets that are debt instruments measured at amortised cost:

	2023	2022
	£	£
Trade debtors (note 10)	**95,743**	146,385
Amounts due from related parties (note 10)	**5,961**	79,152
Other debtors (note 10)	**100**	533
Customer deposit accounts (note 10)	**-**	11,760
	101,804	237,830

Financial liabilities measured at amortised cost:

	2023	2022
	£	£
Trade creditors (note 12)	**3,746**	21,210
Amounts due to related parties (note 12)	**-**	60,000
Accruals (note 12)	**33,311**	58,481
Other creditors (note 12)	**8,094**	7,243
	45,151	146,934

Notes *(continued)*

15 Financial instruments *(continued)*

Company

Financial assets that are debt instruments measured at amortised cost:

	2023	2022
	£	£
Trade debtors (note 10)	**53,236**	95,308
Amounts due from related parties (note 10)	**5,961**	79,152
Amounts due from subsidiary undertakings (note 10)	**169,374**	238,393
Other debtors (note 10)	**-**	533
Customer deposit accounts (note 10)	**-**	11,760
	228,571	425,146

Financial liabilities measured at amortised cost:

	2023	2022
	£	£
Trade creditors (note 12)	**2,572**	18,460
Amounts due to related parties (note 12)	**-**	60,000
Accruals (note 12)	**24,997**	48,651
Other creditors (note 12)	**2,076**	1,711
	29,645	128,822

16 Commitments

The Group and Company have not entered into any capital commitments as at the balance sheet date.

Notes *(continued)*

17 Related parties

See note 4 for the disclosure of the Directors' remuneration which is considered to be key management compensation.

There are no provisions against amounts receivable from related parties at 30 June 2023 and 30 June 2022.

GROUP:

The Group is exempt under the terms of Section 33.1A of FRS 102 "Related party disclosures" from disclosing related party transactions with entities that are wholly owned within the group.

At the balance sheet date, the group had £nil (2022: £79,152) owed by Progility Limited. This amount is included in the debtors note as unsecured amounts due from related parties. The movement in the year is in relation to treasury management. Progility Limited is a connected company by virtue of having the same ultimate parent company, DNY Investments Holding Limited.

At the balance sheet date, the group had £nil (2022: £60,000) owed to Progility Finco Limited. This amount is included in the creditors note as unsecured amounts to related parties. The movement in the year is in relation to treasury management. Progility Finco Limited is a connected company by virtue of having the same ultimate parent company, DNY Investments Holding Limited.

At the balance sheet date, the group had £5,961 (2022: £nil) owed by ILX Group Plc. This amount is included in the debtors note as unsecured amounts due from related parties. The movement in the year is in relation to tax relief charges. ILX Group Plc is a connected company by virtue of having the same ultimate parent company, DNY Investments Holding Limited.

COMPANY:

As a wholly owned subsidiary, the Company is exempt under the terms of Section 33.1A of FRS 102 "Related party disclosures" from disclosing related party transactions with entities that are wholly owned within the group.

At the balance sheet date, the Company had £nil (2022: £79,152) owed by Progility Limited. This amount is included in the debtors note as unsecured amounts due from related parties. The movement in the year is in relation to treasury management. Progility Limited is a connected company by virtue of having the same ultimate parent company, DNY Investments Holding Limited.

At the balance sheet date, the Company had £nil (2022: £60,000) owed to Progility Finco Limited. This amount is included in the creditors note as unsecured amounts to related parties. The movement in the year is in relation to treasury management. Progility Finco Limited is a connected company by virtue of having the same ultimate parent company, DNY Investments Holding Limited.

At the balance sheet date, the Company had £5,961 (2022: £nil) owed by ILX Group Plc. This amount is included in the debtors note as unsecured amounts due from related parties. The movement in the year is in relation to tax relief charges. ILX Group Plc is a connected company by virtue of having the same ultimate parent company, DNY Investments Holding Limited.

18 Ultimate parent controlling party

DNY Investments Holding Limited, a company registered in the British Virgin Islands, holds 100% of the shares of Sue Hill Recruitment & Services Limited and therefore is the immediate parent company.

At the balance sheet date, Praxis Trustees Limited, as trustee of the DNY Trust, held the majority of the shares of DNY Investments Holding Limited and is therefore considered to be the ultimate controlling party.