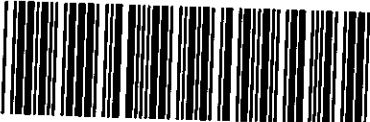


INNER CIRCLE RECRUITMENT LIMITED

Strategic Report, Report of the Directors and
Annual Report and Financial Statements
for the 52 week period 2 April 2022 to 31 March 2023

THURSDAY

WEDNESDAY



ACWCOYAU

A407/02/2024#61

COMPANIES HOUSE

ACVIHVUH

A326/01/2024#168

COMPANIES HOUSE

ACIUPQ6Z

A2121/12/2023#12

COMPANIES HOUSE

Contents of the Financial Statements
for the period 2 April 2022 to 31 March 2023

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INNER CIRCLE RECRUITMENT LIMITED

Company Information
for the period 2 April 2022 to 31 March 2023

DIRECTORS: A J Burchall
A Herron

SECRETARY: G J A Dolan

REGISTERED OFFICE: 5th Floor
4 Coleman Street
London
EC2R 5AR
United Kingdom

REGISTERED NUMBER: 08758376 (England and Wales)

Strategic Report
for the period 2 April 2022 to 31 March 2023

The directors present the annual report and the financial statements for the 52-week period ended 31 March 2023 (the 'period').

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of an employment and recruitment agency.

REVIEW OF BUSINESS

Business Review

The company operates as a trading vehicle for other companies within the nGAGE Specialist Recruitment group, the use of which has reduced in the current year.

The business has delivered revenue of £52k in the period, a decrease of £281k from the prior period (2022: £333k). Gross profit decreased by £35k to £8k from £43k, whilst average weekly contractor numbers declined to nil (2022: 3). Operating costs have increased to £185k from £26k in the prior period. The loss for the period, after taxation, amounted to £177k (2022: loss of £19k).

At the period end the Company had a shareholders' deficit of £25k (2022: funds of £152k), a decrease of £177k by comparison with the prior period. The directors believe the Company's position to be robust and look forward to the future with confidence.

Key Performance Indicators

The Directors consider the key performance indicators to be Gross Profit, Operating Profit, and Average weekly contractor numbers.

	2023	2022
	£'000	£'000
Gross profit	8	43
Operating (loss) /profit	(177)	17
	No.	No.
Contractor numbers	-	3

Strategic Report - continued
for the period 2 April 2022 to 31 March 2023

PRINCIPAL RISKS AND UNCERTAINTIES

Economic and Commercial Risks

The principal risks facing the Company are macro-economic and political factors impacting the recruiting and hiring decisions of customers and the employment patterns of candidates. The Company is also impacted by the combined challenge of regulatory and legislative change and pricing pressure across all markets.

The business is also exposed to price inflation although the business is generally protected from this through the associated increase in salary levels in the Company's markets (on which the company takes a fee) and carefully managed cost controls, including maintaining strong relationships with existing suppliers.

The Company is concentrating on increasing the supply of contractors into those sectors where it can see consistent demand throughout the year. The diversity of the Company's other markets also mitigates against the impact of changing customer spending patterns.

Credit Risk

The Company's principal financial assets are amounts owed by group undertakings, and trade and other debtors. The Company's credit risk is primarily attributable to amounts owed by group undertakings. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on liquid funds is constantly monitored to manage exposure.

Technology Systems

The Company is reliant on a number of technology systems in providing its services to clients. These systems are located both in-house and in various data centres. The business continues to review and enhance its ability to cope with the loss of a technology system as a result of a significant event.

Regulatory Environment

The staffing industry is governed by high levels of regulatory compliance. Additionally, clients often require complex levels of compliance in their contractual arrangements. The Company takes its responsibilities seriously, is committed to meeting all of its regulatory responsibilities, which include changes to taxation and national minimum wage legislation, and continues to develop internal controls and processes with respect to legal and contractual obligations.

Liquidity Risk

To maintain liquidity and ensure that sufficient funds are available for on-going operations and future developments, the Company makes use of its intercompany relationships and a revolving credit facility.

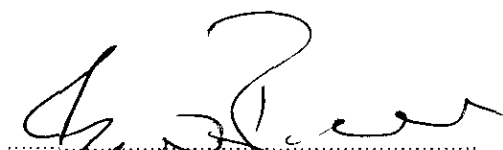
FUTURE DEVELOPMENTS

The directors expect the Company to return to growth over the forthcoming period. This is a result of ongoing investment in key target markets and global expansion in both customer-facing operations and supporting delivery services.

POST BALANCE SHEET EVENTS

There are no reportable post balance sheet events.

ON BEHALF OF THE BOARD:



A J Burchall - Director

30 October 2023

**Report of the Directors
for the period 2 April 2022 to 31 March 2023**

The directors present their annual report with the financial statements of the Company for the period 2 April 2022 to 31 March 2023. An indication of likely future developments in the business of the Company, review of the performance of the company and presentation of key performance indicators are included in the strategic report.

DIVIDENDS

No dividends were declared for the period ended 31 March 2023 (2022: Nil)

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 2 April 2022 to the date of this report.

A J Burchall
A Herron

SUPPLIER PAYMENT POLICY

The Company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensuring that suppliers are made aware of the terms of payment and abide by the terms of payment.

INFORMATION IN STRATEGIC REPORT

Information required in the Directors' Report, such as financial instruments risks are included in the Strategic Report.

GOING CONCERN

The financial statements have been prepared on a going concern basis. The directors have considered the company's current and future prospects and its availability of financing and are satisfied that the company can continue to pay its liabilities as they fall due for the period to 31 October 2024. In particular, the directors have considered the potential financial and operational impacts the company may face in light of economic factors (such as higher rates of interest and inflation) and any mitigating actions which may be required. In addition, the company's ultimate parent undertaking has provided confirmation that it will provide financial support to the company, if required. In assessing the ability of the directors to rely on this support they have considered the level of committed facilities available at the group level to support liquidity. Group term loans are fully drawn and the group benefits from a revolving credit facility, which has significant headroom and is immediately available upon request without restriction. The Company has full and immediate access to all group funding, including both committed facilities and liquid cash funds, through the Group treasury. For this reason, the directors continue to adopt the going concern basis of preparation for these financial statements.

FUTURE DEVELOPMENTS

Details of future developments and events that have occurred after the balance sheet date can be found in the strategic report on page 2 and form part of this report by cross-reference.

DIRECTORS INDEMNITIES

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.


EXISTENCE OF BRANCHES OUTSIDE THE UK

The Company does not have any branches outside of the UK.

Report of the Directors - continued
for the period 2 April 2022 to 31 March 2023

This Directors' Report was approved by the board on 30 October 2023 and signed on its behalf.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A J Burchall', written over a dotted line.

A J Burchall - Director

30 October 2023

**Statement of directors' responsibilities in respect of the financial statements
for the period 2 April 2022 to 31 March 2023**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom 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 company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). 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 in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- state whether applicable UK Accounting Standards, including FRS 101, have 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 company 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.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report and directors' report, that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Directors' responsibility statement

The directors confirm, to the best of their knowledge:

- that the financial statements, prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"), give a true and fair view of the assets, liabilities, financial position and profit of the company taken as a whole;
- that the annual report, including the strategic report, includes a fair review of the development and performance of the business and the position of the Company taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- that they consider the annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

INNER CIRCLE RECRUITMENT LIMITED (REGISTERED NUMBER: 08758376)

Income Statement
for the period 2 April 2022 to 31 March 2023

		Period 2.4.22 to 31.3.23 £'000	Period 3.4.21 to 1.4.22 £'000
	Notes		
REVENUE	3	52	333
Cost of sales		<u>(44)</u>	<u>(290)</u>
GROSS PROFIT		8	43
Administrative expenses		<u>(185)</u>	<u>(26)</u>
OPERATING (LOSS)/ PROFIT and PROFIT BEFORE TAXATION	5	(177)	17
Tax expense	7	<u>-</u>	<u>(36)</u>
(LOSS) FOR THE FINANCIAL PERIOD		<u><u>(177)</u></u>	<u><u>(19)</u></u>

The notes form part of these financial statements

INNER CIRCLE RECRUITMENT LIMITED (REGISTERED NUMBER: 08758376)

Other Comprehensive Income
for the period 2 April 2022 to 31 March 2023

	Period 2.4.22 to 31.3.23 £'000	Period 3.4.21 to 1.4.22 £'000
(LOSS) FOR THE PERIOD	(177)	(19)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE (LOSS) FOR THE PERIOD	<u>(177)</u>	<u>(19)</u>

The notes form part of these financial statements

INNER CIRCLE RECRUITMENT LIMITED (REGISTERED NUMBER: 08758376)

**Balance Sheet
31 March 2023**

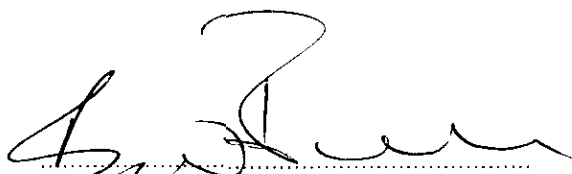
	Notes	2023 £'000	2022 £'000
CURRENT ASSETS			
Trade and other debtors	8	22	7
Cash at bank		-	390
		<u>22</u>	<u>397</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Trade and other payables	9	<u>(47)</u>	<u>(245)</u>
NET CURRENT (LIABILITIES) /ASSETS		<u>(25)</u>	<u>152</u>
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET (LIABILITIES) /ASSETS		<u>(25)</u>	<u>152</u>
CAPITAL AND RESERVES			
Called up share capital	10	-	-
Retained earnings	11	<u>(25)</u>	<u>152</u>
SHAREHOLDERS' (DEFICIT) /FUNDS		<u>(25)</u>	<u>152</u>

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Directors on 30 October 2023 and were signed on its behalf by:


A J Burchall - Director

30 October 2023

The notes form part of these financial statements

INNER CIRCLE RECRUITMENT LIMITED (REGISTERED NUMBER: 08758376)

Statement of Changes in Equity
for the period 2 April 2022 to 31 March 2023

	Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 2 April 2021	-	171	171
Changes in equity			
Total comprehensive expense	-	(19)	(19)
Balance at 1 April 2022	-	152	152
Changes in equity			
Total comprehensive expense	-	(177)	(177)
Balance at 31 March 2023	-	(25)	(25)

The notes form part of these financial statements

**Notes to the Financial Statements
for the period 2 April 2022 to 31 March 2023**

1. STATUTORY INFORMATION

Inner Circle Recruitment Limited (the Company) is a private Company limited by shares and registered in England and Wales under the Companies Act. The address of the Company's registered office is 5th Floor, 4 Coleman Street, London, EC2R 5AR.

The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 2.

These financial statements are presented in pound sterling because that is the currency of the primary economic environment in which the company operates.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Company meets the definition of a qualifying entity under FRS 100 Application of Financial Reporting requirements issued by the Financial Reporting Council.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 10(d), 16, 38A, 38B, 38C, 38D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting policies, changes in accounting estimates and errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures – and
- the requirements in IAS 24 to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Going concern

The financial statements have been prepared on a going concern basis. The directors have considered the company's current and future prospects and its availability of financing and are satisfied that the company can continue to pay its liabilities as they fall due for the period to 31 October 2024. In particular, the directors have considered the potential financial and operational impacts the company may face in light of economic factors (such as higher rates of interest and inflation) and any mitigating actions which may be required. In addition, the company's ultimate parent undertaking has provided confirmation that it will provide financial support to the company, if required. In assessing the ability of the directors to rely on this support they have considered the level of committed facilities available at the group level to support liquidity. Group term loans are fully drawn and the group benefits from a revolving credit facility, which has significant headroom and is immediately available upon request without restriction. The Company has full and immediate access to all group funding, including both committed facilities and liquid cash funds, through the Group treasury. For this reason, the directors continue to adopt the going concern basis of preparation for these financial statements..

Notes to the Financial Statements - continued
for the period 2 April 2022 to 31 March 2023

2. **ACCOUNTING POLICIES - continued**

Critical accounting judgements and sources of uncertainty

In the application of the Company's accounting policies, which are described in note 2, 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 on-going 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.

Critical judgements in applying the Company's accounting policies

In the course of preparing the financial statements, no judgements have been made in the process of applying the Company's accounting policies, which have had a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Estimation uncertainty in relation to a provision for expected credit losses of trade receivables is described in the separate policy note below.

We consider there to be no other material key assumptions concerning the future or any other key sources of estimation uncertainty at the reporting period.

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for provision of contract staff and related services, provided in the normal course of business, net of discounts and VAT.

Revenue arising from the placement of permanent candidates is recognised at the time the candidate commences full-time employment.

Revenue arising from temporary placements is recognised over the period that temporary workers are provided and represents the amounts billed for the services of the temporary workers, including the remuneration costs of the temporary workers. Revenue is recognised upon receipt of an approved timesheet.

Revenue recognised from temporary contract assignments and permanent placements, but not yet invoiced, at the reporting date, is correspondingly accrued on the balance sheet within "accrued income" as part of "prepayments and accrued income". No provision is made for the cancellation of placements prior to or shortly after the commencement of employment.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Notes to the Financial Statements - continued
for the period 2 April 2022 to 31 March 2023

2. ACCOUNTING POLICIES – continued

Financial instruments – continued

Financial assets

Regular purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Loans and receivables

Trade debtors, loans, and other debtors that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Notes to the Financial Statements - continued
for the period 2 April 2022 to 31 March 2023

2. ACCOUNTING POLICIES - continued

Trade receivables

Trade receivables are initially recognised at fair value and are carried at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. Trade receivables subject to the invoice discounting facility are recognised in the Balance Sheet until they are settled by the customer.

Provision for expected credit losses of trade receivables

Management calculates their best estimate of expected credit losses based on a number of factors including the Company's historical observed default rates, an assessment of forecast economic conditions, and management's detailed knowledge and experience of the Company's customer base and the talent solutions sector. The amount is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Cash and cash equivalents

Cash and cash equivalents include cash at bank.

Trade payables

Trade payables are initially recognised at fair value and are carried at amortised cost.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event and where it is probable that an outflow will be required to settle the obligation. Long term provisions are discounted to their present values, where time value of money is material. All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Taxation

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

Provision is made for current tax on taxable profits for the period. Taxable profit differs from profit before taxation as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on all temporary differences. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Deferred tax is calculated at the tax rates that are enacted or substantively enacted by the balance sheet date and are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity or to other comprehensive income, in which case the related deferred tax is also dealt with in equity or in other comprehensive income.

Temporary differences arise where there is a difference between the accounting carrying value in the statement of financial position and the amount attributed to that asset or liability for tax purposes.

Pensions

The Company operates a defined contribution scheme for employees. The Company pays fixed contributions and the assets of the scheme are held separately from those of the Company in an independently administered fund. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. Contributions recognised in respect of personal pension plans are expensed as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short term nature.

Notes to the Financial Statements - continued
for the period 2 April 2022 to 31 March 2023

2. ACCOUNTING POLICIES - continued

Equity

Share capital is determined using the nominal value of shares that have been issued.

Retained earnings include all current and prior period results as disclosed in the statement of comprehensive income.

3. REVENUE

Revenue is wholly attributable to the principal activity of the Company and arises in the United Kingdom.

Revenue attributable to permanent placements was £nil (2022: £nil), and revenue attributable to the placement of temporary workers was £52k (2022: £333k).

4. EMPLOYEES AND DIRECTORS

	Period 2.4.22 to 31.3.23 £'000	Period 3.4.21 to 1.4.22 £'000
Wages and salaries	131	26
Social security costs	7	-
Other pension costs	<u>1</u>	<u>-</u>
	<u>139</u>	<u>26</u>

The average monthly number of employees during the period was as follows:

	Period 2.4.22 to 31.3.23	Period 3.4.21 to 1.4.22
Administration	1	1
Sales	<u>2</u>	<u>-</u>
	<u>3</u>	<u>1</u>

The remuneration of the directors is borne by nGAGE Specialist Recruitment Limited, a company within the Westminster Topco Limited group, of which they are Directors. The directors do not consider it is practicable to apportion this amount between their services as directors of the Company and their services as directors of the fellow group undertakings. The disclosure of director emoluments and pension details can be found in the financial statements of nGAGE Specialist Recruitment Limited.

5. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	Period 2.4.22 to 31.3.23 £'000	Period 3.4.21 to 1.4.22 £'000
Auditors' remuneration	<u>-</u>	<u>5</u>

Notes to the Financial Statements - continued
for the period 2 April 2022 to 31 March 2023

6. AUDITORS' REMUNERATION

	Period 2.4.22 to 31.3.23 £'000	Period 3.4.21 to 1.4.22 £'000
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	-	5

Amounts payable to the Company's auditor in respect of services other than the audit of the Company's financial statements, have not been disclosed as the information is disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, Westminster Topco Limited.

7. TAXATION

Analysis of tax expense

	Period 2.4.22 to 31.3.23 £'000	Period 3.4.21 to 1.4.22 £'000
Current tax		
Tax	-	3
Prior year adjustment	-	33
Total tax expense in income statement	-	36

Factors affecting the tax expense

The tax assessed for the period is higher (2022: lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 2.4.22 to 31.3.23 £'000	Period 3.4.21 to 1.4.22 £'000
(Loss) /profit before income tax	(177)	17
(Loss) /profit multiplied by the standard rate of corporation tax in the UK of 19% (2022: 19%)	(34)	3
<i>Effects of:</i>		
Prior year adjustment	-	33
Group relief	34	-
Tax expense	-	36

Factors that may affect future tax charges

The UK corporation tax rate of 19% increased to 25% from 1 April 2023. The legislation to effect these changes was enacted before the balance sheet date and UK deferred tax has been calculated accordingly.

Notes to the Financial Statements - continued
for the period 2 April 2022 to 31 March 2023

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Trade debtors	-	3
Prepayments and accrued income	2	4
Amounts owed by group undertakings	<u>20</u>	<u>-</u>
	<u>22</u>	<u>7</u>

Expected credit losses of £nil (2022: £nil) were recorded during the period in relation to trade debtors, amounts owed by group undertakings, and accrued income.

Trade and other receivables are usually due within 14 - 30 days and do not bear any interest. All trade receivables are subject to credit risk exposure. An allowance for impairment is made, on a customer-by-customer basis, where there is, based on previous experience, evidence of a likely reduction in the recoverability. The Company's exposure is spread over a large number of customers.

The fair value of these short term financial assets is not individually determined as the carrying amount is a reasonable approximation of fair value.

At the period end the Company was owed £20k (2022: £nil) by group undertakings. These are unsecured, have no interest and are repayable on demand.

Management assesses credit risk by using an external credit referencing agency to determine risk on each client and to apply an appropriate credit limit to that client. Management holds a 90-day debt review monthly, in which it reviews any client at or over their credit limit and take appropriate action. *Management believes there to be minimal risk in the current profile and that sufficient provision has been made.*

The company has access to a working capital finance facility provided by its bankers. These facilities comprise a of revolving credit facility secured by a fixed and floating charge over the Company's assets.

During the prior period, the company had access to a working capital finance facility provided by its bankers. These facilities comprised a confidential trade receivables finance facility secured by a fixed and floating charge over the Company's assets. The confidential trade receivables finance facility was secured specifically against the company trade receivables. Trade receivables which were discounted were included with trade receivables within current assets in the company statement of financial position.

9. TRADE AND OTHER PAYABLES

	2023 £'000	2022 £'000
Trade creditors	10	-
Amounts owed to group undertakings	-	212
Social security and other taxes	1	1
Tax	36	3
Accruals and deferred income	<u>-</u>	<u>29</u>
	<u>47</u>	<u>245</u>

At the period end the Company owed £nil (2022: £212k) to group undertakings. These are non-interest bearing and repayable on demand.

Notes to the Financial Statements - continued
for the period 2 April 2022 to 31 March 2023

10. CALLED UP SHARE CAPITAL

The Company has £1 of issued share capital as follows;

Allotted, issued and fully paid:		Nominal value:	2023	2022
Number:	Class:		£	£
100	Ordinary shares	£0.01	<u>1</u>	<u>1</u>
			<u>1</u>	<u>1</u>

11. RESERVES

	Retained earnings £'000
At 2 April 2022	152
Loss for the period	<u>(177)</u>
At 31 March 2023	<u>(25)</u>

12. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Company is wholly owned by nGAGE Specialist Recruitment Limited, which is the immediate parent Company. The ultimate parent Company is Westminster Topco Limited. The A1 ordinary shares in Westminster Topco Limited are held by funds managed by Graphite Capital. None of the funds individually has an ultimate controlling stake in Westminster Topco Limited. No individual holds more than 20% of the share capital of the company. Hence, the Directors consider that there is no ultimate controlling party of the Company.

The smallest company into which the results of the Company are consolidated is nGAGE Specialist Recruitment Limited and the largest company is Westminster Topco Limited. The consolidated financial statements of both groups are available to the public at 5th Floor, 4 Coleman Street, London, EC2R 5AR.

13. PENSION COMMITMENTS

The Company makes defined contributions into personal pension plans for employees. The pension cost charge for the period represents contributions payable by the Company to the scheme and amounted to £1k (2022: £nil). Contributions amounting to £nil (2022: £nil) were payable to the scheme at the balance sheet date.

14. EVENTS AFTER THE REPORTING PERIOD

There were no post balance sheet events.