

REGISTERED NUMBER: 10713573 (England and Wales)

**GCS BIDCO LIMITED**

**Annual Report and Financial Statements  
for the 52 week period 31 March 2018 to 29 March 2019**



**Contents of the Financial Statements  
for the period 31 March 2018 to 29 March 2019**

---

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>3</b>
<b>Statement of Directors' Responsibilities</b>	<b>5</b>
<b>Report of the Independent Auditors</b>	<b>6</b>
<b>Income Statement</b>	<b>9</b>
<b>Other Comprehensive Income</b>	<b>10</b>
<b>Balance Sheet</b>	<b>11</b>
<b>Statement of Changes in Equity</b>	<b>12</b>
<b>Notes to the Financial Statements</b>	<b>13</b>

**GCS BIDCO LIMITED (REGISTERED NUMBER: 10713573)**

**Company Information  
for the period 31 March 2018 to 29 March 2019**

---

**DIRECTORS:** A J Burchall  
A Herron  
D Bloxham

**SECRETARY:** G J A Dolan

**REGISTERED OFFICE:** 222 Bishopsgate  
London  
United Kingdom  
EC2M 4QD

**REGISTERED NUMBER:** 10713573 (England and Wales)

**AUDITORS:** Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

**Strategic Report**  
**for the period 31 March 2018 to 29 March 2019**

---

The directors present the annual report and the audited financial statements for the 52 week period ended 29 March 2019 (the 'period').

**Principal activities**

The principal activity for the company is that of an intermediate holding company and does not trade.

**REVIEW OF BUSINESS**

**Business review**

The results for the period and the financial position of the Company are as shown in these financial statements. During the period the Company generated a loss before taxation of £225k (2018: £243k loss).

**GOING CONCERN**

The company is dependent for its working capital on funds provided to it by nGAGE Specialist Recruitment Limited, this company's parent. nGAGE Specialist Recruitment Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

**Key performance indicators**

As an intermediate holding Company the Directors continue to monitor the performance of the subsidiary group, GCS Recruitment Specialists Limited.

**PRINCIPAL RISKS AND UNCERTAINTIES**

**Economic and Commercial Risks**

The principal risks facing the Group are macro-economic and political factors impacting the recruiting and hiring decisions of customers and candidates.

**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 group 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.

**Interest rate risk**

The company finances its operations through shareholder loan notes. The exposure to interest rate fluctuations on borrowings is managed by the use of fixed rate facilities.

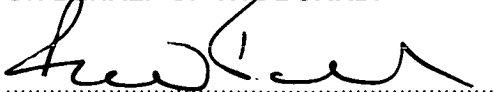
**FUTURE DEVELOPMENTS**

The directors do not expect any change in the status or performance of the Company.

**POST BALANCE SHEET EVENTS**

There are no reportable post balance sheet events.

**ON BEHALF OF THE BOARD:**



A J Burchall - Director

Date: 22 November 2019

**Report of the Directors  
for the period 31 March 2018 to 29 March 2019**

---

The directors present their annual report with the audited financial statements of the Company for the period 31 March 2018 to 29 March 2019. 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 29 March 2019 (2018: - 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 31 March 2018 to the date of this report.

A J Burchall  
A Herron  
D Bloxham

**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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

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

- So far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- Each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

**Report of the Directors  
for the period 31 March 2018 to 29 March 2019**

---

**AUDITORS**

Under section 487(2) of the Companies Act 2006, Ernst & Young LLP were appointed as auditors during the period and will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

This Directors' Report was approved by the board on 22 November 2019 and signed on its behalf.

**ON BEHALF OF THE BOARD:**

  
.....  
A J Burchall - Director

Date: 22 November 2019

**Statement of Directors' Responsibilities  
for the period 31 March 2018 to 29 March 2019**

---

The directors are responsible for preparing the Strategic Report, Report of the Directors, 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 period. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework". 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 the company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
  - make judgments and accounting estimates that are reasonable and prudent; and
  - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Report of the Independent Auditors to the Members of  
GCS BIDCO LIMITED (REGISTERED NUMBER: 10713573)  
for the period 31 March 2018 to 29 March 2019**

---

**Opinion**

We have audited the financial statements of GCS Bidco Limited for the 52 week period ended 29 March 2019 (the 'period') which comprise the Income Statement, the Balance Sheet, the Other Comprehensive Income, the Statement of changes in equity and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 29 March 2019 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the annual report set out on pages 2-5, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.



**Report of the Independent Auditors to the Members of  
GCS BIDCO LIMITED (REGISTERED NUMBER: 10713573)  
for the period 31 March 2018 to 29 March 2019**

---

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

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

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

**Responsibilities of directors**

As explained more fully in the directors' responsibilities 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 the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Report of the Independent Auditors to the Members of  
GCS BIDCO LIMITED (REGISTERED NUMBER: 10713573)  
for the period 31 March 2018 to 29 March 2019**

---

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Ernst & Young LLP*

Rachel Savage (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

Date: 25 November 2019

**Income Statement**  
**for the period 31 March 2018 to 29 March 2019**

		Period 31.3.18 to 29.3.19 £'000	Period 6.4.17 to 30.3.18 £'000
	Notes		
<b>TURNOVER</b>		-	-
Administrative expenses		<u>(9)</u>	<u>(29)</u>
<b>OPERATING LOSS</b>		(9)	(29)
Interest payable and similar expenses	4	<u>(216)</u>	<u>(214)</u>
<b>LOSS BEFORE TAXATION</b>	5	(225)	(243)
Tax on loss	7	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL PERIOD</b>		<u>(225)</u>	<u>(243)</u>

The notes form part of these financial statements

**Other Comprehensive Income  
for the period 31 March 2018 to 29 March 2019**

	Period 31.3.18 to 29.3.19 £'000	Period 6.4.17 to 30.3.18 £'000
Notes		
LOSS FOR THE PERIOD	(225)	(243)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>(225)</u>	<u>(243)</u>

The notes form part of these financial statements

**Balance Sheet**  
**29 March 2019**

		29 March 2019 £'000	30 March 2018 £'000
	Notes		
<b>FIXED ASSETS</b>			
Investments	8	5,700	5,700
<b>CREDITORS</b>			
Amounts falling due within one year	9	<u>(1,316)</u>	<u>(1,117)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(1,316)</u>	<u>(1,117)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,384	4,583
<b>CREDITORS</b>			
Amounts falling due after more than one year	10	<u>(4,652)</u>	<u>(4,630)</u>
<b>NET LIABILITIES</b>		<u><u>(268)</u></u>	<u><u>(47)</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	200	196
Retained earnings	13	<u>(468)</u>	<u>(243)</u>
<b>SHAREHOLDERS' DEFICIT</b>		<u><u>(268)</u></u>	<u><u>(47)</u></u>

The financial statements were approved by the Board of Directors on 22 November 2019 and were signed on its behalf by:



A J Burchall - Director

**Statement of Changes in Equity**  
**for the period 31 March 2018 to 29 March 2019**

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
<b>Changes in equity</b>			
Issue of share capital	196	-	196
Total comprehensive loss	<u>-</u>	<u>(243)</u>	<u>(243)</u>
<b>Balance at 30 March 2018</b>	<u><b>196</b></u>	<u><b>(243)</b></u>	<u><b>(47)</b></u>
<b>Changes in equity</b>			
Issue of share capital	4	-	4
Total comprehensive loss	<u>-</u>	<u>(225)</u>	<u>(225)</u>
<b>Balance at 29 March 2019</b>	<u><u><b>200</b></u></u>	<u><u><b>(468)</b></u></u>	<u><u><b>(268)</b></u></u>

The notes form part of these financial statements

**Notes to the Financial Statements  
for the period 31 March 2018 to 29 March 2019**

---

**1. STATUTORY INFORMATION**

GCS Bidco Limited is a private company, limited by shares, registered in England and Wales and incorporated in the United Kingdom under the Companies Act 2006. The company's registered number and registered office address can be found on the Company Information page.

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 is that the currency of the primary economic environment in which the company operates.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements because it is included in the group accounts of nGAGE Specialist Recruitment Limited and Westminster Topco Limited. The group accounts of both entities are available to the public and can be obtained as set out in note 14.

**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), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures.

During the period ended 29 March 2019, the company adopted IFRS 15 – Revenue from Customers and IFRS 9 – Financial Instruments. No adjustments were required on adoption of these standards.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements and which might have an effect on the Company's financial statements are disclosed below. The Company intends to adopt these standards when they become effective.

- IFRIC Interpretation 23 Uncertainty over Income Tax Treatment; effective date 30 March 2019. This is not expected to have a material impact on the company.

**Notes to the Financial Statements - continued  
for the period 31 March 2018 to 29 March 2019**

---

**2. ACCOUNTING POLICIES - continued**

**Going concern**

The company is dependent for its working capital on funds provided to it by nGAGE Specialist Recruitment Limited, this company's parent. nGAGE Specialist Recruitment Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Group'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 group's accounting policies**

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

**Key sources of estimation uncertainty**

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



**Notes to the Financial Statements - continued  
for the period 31 March 2018 to 29 March 2019**

---

**2. ACCOUNTING POLICIES - continued**

**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.

*Financial assets*

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss. Transaction costs directly attributable to the acquisition of financial assets classified as at fair value through profit or loss are recognised immediately 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' (AFS) 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.

Notes to the Financial Statements - continued  
for the period 31 March 2018 to 29 March 2019

---

2. **ACCOUNTING POLICIES - continued**

*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.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

*Other financial liabilities*

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

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**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.

**Cash and cash equivalents**

Cash and cash equivalents include cash at bank and in hand, overdrafts and short term highly liquid investments such as bank deposits less advances from banks repayable within three months from the date of advance.

**Trade payables**

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

**Borrowings**

Interest-bearing borrowings are recognised initially at fair value less attributable issue costs. Finance charges, including premiums payable on settlement or redemption and direct-issue costs, are accounted for on an accrual basis in the income statement using the effective interest rate method.

**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.

**Notes to the Financial Statements - continued  
for the period 31 March 2018 to 29 March 2019**

---

**2. ACCOUNTING POLICIES - continued**

**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 only to the extent that it is probable that taxable profits will be available against which to offset the deductible temporary differences. 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.

**Interest income and expense**

All interest income and expenses are recognised in the income statement in the period in which it is incurred using the effective interest method. Arrangement fees incurred in respect of borrowings are amortised over the term of the agreement.

**Investments**

Investments are subject to annual impairment testing.

Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the investment's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell, and value in use based on an internal discounted cash flow evaluation. Investments are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

**Notes to the Financial Statements - continued**  
**for the period 31 March 2018 to 29 March 2019**

**2. ACCOUNTING POLICIES - continued****Equity**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

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. EMPLOYEES AND DIRECTORS**

There were no staff costs for the period ended 29 March 2019 nor for the period ended 30 March 2018.

The remuneration of the Directors is borne by nGAGE Specialist Recruitment Limited, the parent company, of which they are Directors. The portion of this remuneration which relates to the Company is considered to be £nil in the current and prior period. The disclosure of such emoluments and pension details can be found in the financial statements of nGAGE Specialist Recruitment Limited

**4. INTEREST PAYABLE AND SIMILAR EXPENSES**

	Period 31.3.18 to 29.3.19 £'000	Period 6.4.17 to 30.3.18 £'000
Bank interest	-	-
Other interest	<u>216</u>	<u>214</u>

**5. LOSS BEFORE TAXATION**

The loss before taxation is stated after charging:

	Period 31.3.18 to 29.3.19 £'000	Period 6.4.17 to 30.3.18 £'000
Auditor's remuneration	<u>5</u>	<u>5</u>

**Notes to the Financial Statements - continued**  
**for the period 31 March 2018 to 29 March 2019**

**6. AUDITORS' REMUNERATION**

	Period 31.3.18 to 29.3.19 £'000	Period 6.4.17 to 30.3.18 £'000
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	<u>5</u>	<u>5</u>

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**

No liability to UK corporation tax arose for the period ended 29 March 2019 nor for the period ended 30 March 2018

**Factors affecting the tax expense**

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

	Period 31.3.18 to 29.3.19 £'000	Period 6.4.17 to 30.3.18 £'000
Loss before income tax	<u>(255)</u>	<u>(243)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	(48)	(46)
Effects of:		
Expenses not deductible	1	-
Group relief surrendered for nil consideration	<u>47</u>	<u>46</u>
Tax expense/(income)	<u>-</u>	<u>-</u>

**Notes to the Financial Statements - continued  
for the period 31 March 2018 to 29 March 2019**

**7. TAXATION – continued****Factors that may affect future tax charges**

The UK corporation tax rate will reduce to 17% by 2020. A reduction in the rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015, and a further reduction to 17% (effective from 1 April 2020) was also substantively enacted in the Finance Act 2016.

This will reduce the Company's future current tax charge accordingly.

**8. INVESTMENTS**

	<b>Shares in group undertakings £'000</b>
<b>COST</b>	
At 1 April 2018 and 29 March 2019	<u><b>5,700</b></u>
<b>NET BOOK VALUE</b>	
At 29 March 2019	<u><b>5,700</b></u>
At 31 March 2018	<u><b>5,700</b></u>

The Company held the following investments. The Companies are registered in England and Wales at 222 Bishopsgate, London, EC2M 4QV, with the exception of GCS Specialists Inc. which is registered at 90 Broad Street, 2nd Floor, New York, NY 10004, USA. These are the principal places of business for each entity.

The undertakings in which the Company's interest at the 29 March 2019 is more than 20% are as follows:

	<b>Company number</b>	<b>Principle activity</b>	<b>Percentage held and voting rights</b>
<b>Subsidiary holding company</b>			
GCS Recruitment Holdings Limited	06609808	Holding Company	100%
<b>Subsidiary trading company</b>			
GCS Recruitment Specialists Limited	05609278	Employment & recruitment services	100%
GCS Specialists Inc.		Employment & recruitment services	100%
<b>Subsidiary dormant company</b>			
GCS Recruitment Limited	07029577	Dormant company	100%

**Notes to the Financial Statements - continued**  
**for the period 31 March 2018 to 29 March 2019**

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>29 March</b>	<b>30 March</b>
	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	-	1
Amounts owed to group undertakings	1,311	1,116
Accruals and deferred income	<u>5</u>	<u>-</u>
	<b><u>1,316</u></b>	<b><u>1,117</u></b>

The amounts owed to group undertakings are non-interest bearing and payable on demand.

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>29 March</b>	<b>30 March</b>
	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Staff loans (see note 12)	125	125
Shareholder loan notes (see note 12)	<u>4,527</u>	<u>4,505</u>
	<b><u>4,652</u></b>	<b><u>4,630</u></b>

**11. FINANCIAL LIABILITIES - BORROWINGS**

	<b>29 March</b>	<b>30 March</b>
	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Non-current:		
Staff loans	125	125
Shareholder loan notes	<u>4,527</u>	<u>4,505</u>

Terms and debt repayment schedule

	<b>More than 5</b>
	<b>years</b>
	<b>£'000</b>
Staff loans	125
Shareholder loan notes	<u>4,527</u>

The staff loans are repayable if the principal ownership and control of the entity is transferred or sold. These loans have been classified as long term and due for repayment in 2024 or upon a change in ownership, if earlier. No change in ownership is anticipated in the 12 month period from the date of approval of these financial statements.

The shareholder loans are repayable if the principal ownership and control of the entity is transferred or sold. This loan has been classified as long term and due for repayment in 2024 or upon a change in ownership, if earlier. No change of ownership is anticipated in the 12 month period from the date of approval of these financial statements. Interest is fixed at 5% and accrued within the loan notes.

**Contents of the Financial Statements  
for the period 31 March 2018 to 29 March 2019**

**12. CALLED UP SHARE CAPITAL**

<b>Allotted, issued and fully paid:</b>			<b>29 March</b>	<b>30 March</b>
<b>Number:</b>	<b>Class:</b>	<b>Nominal Value £:</b>	<b>2019 £</b>	<b>2018 £</b>
140,450	Ordinary A	1	140,450	140,450
19,550	Ordinary B	1	19,550	19,550
30,815	Ordinary C	1	30,815	27,400
8,600	Ordinary D	1	8,600	8,600
100	Ordinary E	1	100	-
			<b><u>199,515</u></b>	<b><u>196,000</u></b>

**13. RESERVES**

	<b>Retained earnings £'000</b>
At 31 March 2018	<b>(243)</b>
Loss for the period	<b><u>(225)</u></b>
At 31 March 2019	<b><u>(468)</u></b>

**14. ULTIMATE PARENT COMPANY AND PARENT UNDERTAKING**

The company is owned by Westminster Topco Limited, which is the controlling party. 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 only group in which the results of the company are consolidated is that headed by Westminster Topco Limited. The consolidated financial statements of the group are available to the public and may be obtained from 222 Bishopsgate, London, EC2M 4QD.

**15. POST BALANCE SHEET EVENTS**

There were no post balance sheet events.