Registered number: 03234255

TEMPLETON AND PARTNERS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

TEMPLETON AND PARTNERS LIMITED

COMPANY INFORMATION

Director	N Ahmad
Registered number	03234255
Registered office	Templeton House 33-34 Chiswell Street London EC1Y 4SF
Independent auditor	CLA Evelyn Partners Limited Chartered Accountants & Statutory Auditor 103 Colmore Row Birmingham B3 3AG
Bankers	Santander UK Plc 2 Triton Square Regent's Place London NW1 3AN

TEMPLETON AND PARTNERS LIMITED

CONTENTS

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The director presents his Strategic Report for the Group for the year ended 31 December 2021.

Business review

Consolidated Operating Profit, which is the key performance indicator for the business, has fallen by 14% from £590,464 to £506,991 for the Group as 2021, due to the group investing in increasing its costs for future growth

Some of this growth has already started to show where Group Sales Revenue increased by 5% to £12.9m *(2020 - £12.3m).*

The results for the year and the financial position at year-end were considered good by the director.

Principal risks and uncertainties

Objectives and policies
Treasury activities are managed centrally by the Group and are monitored by the Board. The objectives are to protect the assets of the Group and to identify and then manage financial risk. The Group uses very simple financial instruments such as cash and various items such as trade debtors and trade creditors that arise from its operations. Their existence exposes the Group to a number of financial risks which are described in more detail below.

Interest Rate Risk
The Group finances its operations through retained profits. The Board feel that given the Group has no borrowings the risk from significant interest rate fluctuations is minimal.

Currency risk
The Group trades in markets other than the United Kingdom. The risk of currency fluctuations is managed by holding bank balances in US Dollars and Euros..

Liquidity Risk
The Group manages its cash requirements centrally to minimise interest expense, whilst the Group has sufficient liquid resources to meet the operating needs of its business.

Credit Risk
Credit risk arises on financial instruments such as trade debtors. Policies and procedures exist to ensure that customers have an appropriate credit history and suitable credit limits are set and monitored. This is not considered to be a significant area to the Group.

This report was approved by the board and signed on its behalf.

N Ahmad
Director

Date: 23-1-23

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The director presents his report and the financial statements for the year ended 31 December 2021

Principal activity

The principal activities of the Group and company throughout the year were that of an information technology recruitment agency.

Results and dividends

The profit for the year, after taxation, amounted to £432,021 *(2020 - £470,031)*.

No dividends were paid or proposed during the year *(2020 - £Nil)*.

Director

The director who served during the year was:

N Ahmad

Future developments

The management expect sales for 2022 to increase because the focus of the business have switched to new client acquisition rather than just existing client expansion since 2021. We have also had a focus on expanding clients and on new geographical regions.

Disclosure of information to auditor

The director at the time when this Director's Report is approved has confirmed that:

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

Post balance sheet events

On 1st January 2022 Templeton and Partners Limited purchased four subsidiary companies from it's parent undertaking Templeton Group Holdings Limited.

Post year end in order to support the strength of the business and its commitment to growth, in December 2022 the business invested in a new IT infrastructure including a CRM system.

Auditor

The auditor, CLA Evelyn Partners Limited, was appointed following the year end and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

This report was approved by the board and signed on its behalf.

N Ahmad
Director

Date: 23-1-23

DIRECTOR'S RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

The director is responsible for preparing the Group Strategic Report, the Director's Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the Group's financial statements 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 Group will continue in business.

The director is 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 the Group and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

evelyn
PARTNERS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEMPLETON AND PARTNERS LIMITED

Opinion

We have audited the financial statements of Templeton and Partners Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Consolidated Analysis of Net Debt and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEMPLETON AND PARTNERS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the Annual Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Director's 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 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 director's 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 Director's Responsibilities Statement set out on page 4, the director is 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 director determines 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 director is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEMPLETON AND PARTNERS LIMITED (CONTINUED)

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.

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

We obtained an understanding of the Group's legal and regulatory framework through enquiry of management concerning: their understanding of the relevant laws and regulations; the entity's policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Group's industry and regulation.

We understand that the Group complies with the framework through:

- Outsourcing statutory accounts preparation and tax compliance to external experts.
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary..
- The directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations: which determine the form and content of the financial statements; which are central to the Group's ability to conduct its business; and where failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Group
:

- The Companies Act 2006 and UK GAAP in respect of the preparation and presentation of the financial statements.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Sales cut off by accelerating revenue for costs not yet incurred..
- Manipulation of the financial statements, especially revenue, via fraudulent journal entries, particularly as the size of the Company means that there is little opportunity for segregation of duties.

These areas were communicated to the other members of the engagement team not present at the discussion.

Procedures performed to address these were as follows:
- Substantive work on material areas affecting profits;
- Testing of sales cut off by reviewing sales recorded close to the year end date;
- Challenging management regarding the assumptions used in the calculation of estimates; and
- Testing journal entries which demonstrated high risk characteristics.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEMPLETON AND PARTNERS LIMITED (CONTINUED)

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

B. J. Stapleton 25 January 2023

Benjamin Stapleton (Senior Statutory Auditor)

for and on behalf of
CLA Evelyn Partners Limited

Chartered Accountants
Statutory Auditor

103 Colmore Row
Birmingham
B3 3AG
Date:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	4	12,869,624	12,309,040
Cost of sales		(10,627,042)	(10,244,671)
Gross profit		2,242,582	2,064,369
Administrative expenses		(1,900,342)	(1,719,535)
Other operating income	5	164,751	245,630
Operating profit	6	506,991	590,464
Interest receivable and similar income	10	32,026	45,508
Interest payable and similar expenses	11	(3,413)	(1,075)
Profit before taxation		535,604	634,897
Tax on profit	12	(103,583)	(164,866)
Profit for the financial year		432,021	470,031
Currency translation differences		(11,371)	-
Total comprehensive income for the year		420,650	470,031

The notes on pages 16 to 28 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	13		12,867		17,869
			12,867		17,869
Current assets					
Debtors: amounts falling due within one year	15	5,972,462		4,266,351	
Cash at bank and in hand		1,993,794		2,915,989	
		7,966,256		7,182,340	
Creditors: amounts falling due within one year	16	(1,691,391)		(1,333,127)	
Net current assets			6,274,865		5,849,213
Net assets			6,287,732		5,867,082
Capital and reserves					
Called up share capital	17		100		100
Foreign exchange reserve	18		(11,371)		-
Profit and loss account	18		6,299,003		5,866,982
Shareholders' funds			6,287,732		5,867,082

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

N Ahmad
Director

Date: 23-1-23

The notes on pages 16 to 28 form part of these financial statements.

TEMPLETON AND PARTNERS LIMITED
REGISTERED NUMBER:03234255

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	13		12,867		*17,869*
Investments	14		11,094		-
			23,961		*17,869*
Current assets					
Debtors: amounts falling due within one year	15	5,911,317		*4,266,351*	
Cash at bank and in hand		1,959,235		*2,915,989*	
		7,870,552		*7,182,340*	
Creditors: amounts falling due within one year	16	(1,629,223)		*(1,333,127)*	
Net current assets			6,241,329		*5,849,213*
Net assets			6,265,290		*5,867,082*
Capital and reserves					
Called up share capital	17		100		*100*
Profit and loss account	18		6,265,190		*5,866,982*
Shareholders' funds			6,265,290		*5,867,082*

The Parent Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The profit after tax of the Parent Company for the year was £398,208 *(2020 - £470,031)*.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

N Ahmad
Director

Date: 23-1-23

The notes on pages 16 to 28 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Foreign exchange reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	100	-	5,396,951	5,397,051
Comprehensive income for the year				
Profit for the year	-	-	470,031	470,031
At 1 January 2021	100	-	5,866,982	5,867,082
Comprehensive income for the year				
Profit for the year	-	-	432,021	432,021
Currency translation differences	-	(11,371)	-	(11,371)
At 31 December 2021	100	(11,371)	6,299,003	6,287,732

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	100	5,396,951	5,397,051
Comprehensive income for the year			
Profit for the year	-	470,031	470,031
At 1 January 2021	100	5,866,982	5,867,082
Comprehensive income for the year			
Profit for the year	-	398,208	398,208
At 31 December 2021	100	6,265,190	6,265,290

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	432,021	470,031
Adjustments for:		
Depreciation of tangible assets	10,196	10,870
Interest paid	3,413	1,075
Interest received	(32,026)	(45,508)
Taxation charge	103,583	164,866
(Increase)/decrease in debtors	(1,706,111)	634,244
Increase/(decrease) in creditors	366,994	(69,619)
Corporation tax paid	(112,313)	(122,297)
Foreign exchange	(11,371)	-
Net cash (used in)/generated from operating activities	(945,614)	1,043,662
Cash flows from investing activities		
Purchase of tangible fixed assets	(5,194)	(1,458)
Interest received	32,026	45,508
Director's loan settled	-	120,000
Net cash from investing activities	26,832	164,050
Cash flows from financing activities		
Interest paid	(3,413)	(1,075)
Net cash used in financing activities	(3,413)	(1,075)
Net (decrease)/increase in cash and cash equivalents	(922,195)	1,206,637
Cash and cash equivalents at beginning of the year	2,915,989	1,709,352
Cash and cash equivalents at the end of the year	1,993,794	2,915,989
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	1,993,794	2,915,989
	1,993,794	2,915,989

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021

	At 1 January 2021	Cash flows	At 31 December 2021
	£	£	£
Cash at bank and in hand	2,915,989	(922,195)	1,993,794
	2,915,989	(922,195)	1,993,794

1. General information

Templeton and Partners Limited is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 03234255). The registered office address is Templeton House, 33-34 Chiswell Street, London, EC1Y 4SF.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its subsidiaries ('the Group') as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

The director has used the going concern basis of preparation for the following reasons. The group has prepared forecasts for at least the next 12 months which indicate that the group will have access to sufficient cash to continue to trade and meet its liabilities as they fall due. The group has been profitable in recent years and is expected to continue to generate profits in the period for which forecasts have been prepared. The group has no external borrowings and holds significant cash reserves, which at 31 December 2021 were approximately £2 million. Even after consideration of potential downsides such as reduced trading or increased costs, the directors expect to have access to sufficient cash and have concluded that there is no material uncertainty in relation to going concern.

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.5 Turnover

Turnover represents the value of services provided net of value added tax.

Fee income represents revenue earned under contracts to provide professional services. Turnover is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for its performance under these contracts.

Turnover from contracts for the provision of recruitment services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2. Accounting policies (continued)

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2. Accounting policies (continued)

2.12 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Group becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Group will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Group's cash management.

Financial liabilities and equity instruments issued by the Group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

2.13 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Accounting policies (continued)

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Group's accounting policies, the director is 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 judgements, estimates and assumptions are evaluated at each reporting date and are based on historical experience as adjusted for current market conditions and other factors. Management makes estimates and assumptions concerning the future in preparing the financial statements and the actual results will not always reflect the accounting estimates made. The estimates and assumptions that had a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities of the Company are outlined below.

Critical accounting estimates and assumptions
The Group makes estimates and assumptions concerning the future. The resulting accounting estimate will seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are considered by the directors to be the following:

Impairment of trade receivables
The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. The total carrying value of trade debtors net of provisions is £2,713,764 *(2020 - £1,930,338)*.

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Provision of recruitment services	12,869,624	12,309,040

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	3,561,215	2,882,514
Rest of the world	9,308,409	9,426,526
	12,869,624	12,309,040

5. Other operating income

	2021 £	2020 £
Net rents receivable	164,751	177,925
Government grants receivable	-	67,705
	164,751	245,630

6. Operating profit

The operating profit is stated after charging/(crediting):

	2021 £	2020 £
Exchange differences	2,483	(179,867)
Depreciation of tangible fixed assets	10,196	10,870

7. Auditor's remuneration

	2021 £	*2020 £*
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	20,250	*8,000*

8. Employees

Staff costs, including director's remuneration, were as follows:

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Wages and salaries	1,088,943	*901,922*	1,062,097	*901,922*
Social security costs	111,186	*94,277*	106,728	*94,277*
Cost of defined contribution scheme	13,730	*15,214*	13,730	*15,214*
	1,213,859	*1,011,413*	1,182,555	*1,011,413*

The average monthly number of employees, including the director, during the year was as follows:

	2021 No.	*2020 No.*
Administrative	23	*22*

9. Director's remuneration

	2021 £	*2020 £*
Director's emoluments	1,272	*1,238*

10. Interest receivable

	2021 £	2020 £
Bank interest receivable	-	*1,069*
Other interest receivable	32,026	*44,439*
	32,026	*45,508*

11. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	3,413	*1,075*

12. Taxation

	2021 £	*2020* *£*
Corporation tax		
Current tax on profits for the year	99,441	*111,769*
Foreign tax		
Foreign tax on income for the year	4,142	*53,097*
Total current tax	103,583	*164,866*

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2020 - higher than)* the standard rate of corporation tax in the UK of 19% *(2020 - 19%)*. The differences are explained below:

	2021 £	*2020* *£*
Profit on ordinary activities before tax	535,604	*634,897*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	101,765	*120,630*
Effects of:		
Expenses not deductible for tax purposes	-	*(320)*
Capital allowances for year less than depreciation	-	*1,547*
Fixed asset differences	(296)	-
Remeasurement of deferred tax for changes	270	-
Effect of overseas tax rates	1,844	*43,009*
Total tax charge for the year	103,583	*164,866*

Factors that may affect future tax charges

Finance Act 2021 includes legislation to increase the main rate of corporation tax from 19% to 25% from 1 April 2023. The full anticipated effect of these changes is reflected in the above deferred tax balances.

13. Tangible fixed assets

Group and Company

	Fixtures and fittings £
Cost	
At 1 January 2021	40,797
Additions	5,194
At 31 December 2021	45,991
Depreciation	
At 1 January 2021	22,928
Charge for the year	10,196
At 31 December 2021	33,124
Net book value	
At 31 December 2021	12,867
At 31 December 2020	*17,869*

14. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost	
Additions	11,094
At 31 December 2021	11,094

Subsidiary undertakings

The following were all direct subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Templeton and Partners, Inc.	14 Wall Street, 20th Floor, New York, NY 10005, USA	Provision of recruitment services	Ordinary	100%
Templeton and Partners SAS	250 bis boulevard Saint-Germain 75007 Paris, France	Provision of recruitment services	Ordinary	100%
Templeton and Partners (India) Pvt Ltd	Embassy Tech Village, Block-L, Devarabisanahalli, Outer Ring Road, Bangalore, Karnataka 560103, India	Provision of recruitment services	Ordinary	100%
Templeton and Partners Sp. z o.o	ul. Moniuszki 1A, 00-014 Warsaw, Poland	Provision of recruitment services	Ordinary	100%

During the year, Templeton and Partners Limited invested in opening 4 new subsidiary companies globally, as reflected above.

15. Debtors

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Trade debtors	2,713,764	*1,930,338*	2,382,108	*1,930,338*
Amounts owed by related undertakings	2,446,783	*1,894,468*	2,738,674	*1,894,468*
Other debtors	83,466	*143,244*	80,968	*143,244*
Prepayments and accrued income	728,449	*298,301*	709,567	*298,301*
	5,972,462	*4,266,351*	5,911,317	*4,266,351*

16. Creditors: Amounts falling due within one year

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Trade creditors	853,419	*751,560*	813,648	*751,560*
Amounts owed to group undertakings	-	-	1,000	-
Corporation tax	103,029	*111,759*	98,033	*111,759*
Other taxation and social security	37,257	*25,397*	37,257	*25,397*
Other creditors	143,996	*85,808*	143,996	*85,808*
Accruals and deferred income	553,690	*358,603*	535,289	*358,603*
	1,691,391	*1,333,127*	1,629,223	*1,333,127*

17. Share capital

	2021 £	*2020 £*
Allotted, called up and fully paid		
100 Ordinary shares of £1.00 each	100	*100*

18. Reserves

Foreign exchange reserve

The foreign exchange reserve represents the cumulative movements in foreign exchange.

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

19. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £13,730 *(2020 - £15,214)*. Contributions totaling £3,613 *(2020 - £2,353)* were payable to the fund at the balance sheet date and are included in creditors.

20. Commitments under operating leases

At 31 December the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Not later than 1 year	170,700	*188,779*	170,700	*188,779*

21. Related party transactions

The Company has taken advantage of the exemption in FRS 102 Section 33.1A to not disclose transactions with wholly owned group entities.

The Director is considered to be the key management personnel and his compensation is disclosed in note 9.

22. Post balance sheet events

On 1st January 2022 Templeton and Partners Limited purchased four subsidiary companies from it's parent undertaking Templeton Group Holdings Limited.

Post year end in order to support the strength of the business and its commitment to growth, in December 2022 the business invested in a new IT infrastructure including a CRM system.

23. Controlling party

The immediate and ultimate parent undertaking is Templeton Group Holdings Ltd. The ultimate controlling party is Mr N Ahmad by virtue of his shareholding and directorship.