

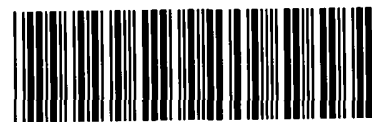
Registered number: 03821351

The Empower Group Limited

Annual Report and Financial Statements

For the year ended 31 December 2021

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The Empower Group Limited

Annual report and financial statements for the year ended 31 December 2021

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The Empower Group Limited

Annual report and financial statements for the year ended 31 December 2021

Officers and professional advisers

Directors

B de Graaf
T Gilbert

Company Secretary and Registered Office

T Gilbert
50 Bank Street
Canary Wharf
London
E14 5NS

Banker

Barclays Bank PLC
Level 28
1 Churchill Place
Canary Wharf
London
E14 5HP

Auditor

Deloitte LLP
Statutory Auditor
London
United Kingdom

The Empower Group Limited

Strategic report

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Review of the business

The Company is a wholly owned subsidiary of ManpowerGroup Inc. (see note 14) and is the holding company for a number of UK and overseas based subsidiaries operating within the employment services sector. A list of the Company's subsidiaries is given in the appendix to the financial statements.

The Company's principal activity is that of a holding company. There have been no significant changes in the Company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in either the nature or level of the Company's activities in the next year.

The results for the year are set out in the profit and loss account on page 11 and the accompanying notes.

Covid-19 has presented both an opportunity for growth and a challenge to delivery in the forthcoming year for the Company and its subsidiaries.

Key Performance Indicators

No KPI has been determined in the Company due to the course of business. This is a holding company and no turnover has been generated.

Principal risks and uncertainties

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, liquidity risk, cash flow risk and price risk.

In order to maintain liquidity, to ensure sufficient funds are available for ongoing operations and future developments, the Company uses third party short-term debt finance available to all ManpowerGroup Inc group companies. The interest rate risks are set at market rates by the third party and managed by central treasury functions within ManpowerGroup Inc.

Brexit poses a risk across the current economic landscape. While Brexit is typically seen as a risk to many businesses, the Company sees this as an opportunity for growth due to the potential for corporate restructuring across the economy and possible demand for the Company's services.

The Company responded well to the COVID-19 impact in 2021 and the Directors will continue to monitor, review and take the appropriate steps, as well as recognise and address the other current and emerging risks and uncertainties we face as a business. ManpowerGroup companies are well placed to respond positively to the changing market conditions from these factors.

Suppliers

The Board recognises the need to foster the Company and its subsidiaries' business relationships with suppliers and ensures that the Company and its subsidiaries have processes in place to engage and consult with its suppliers on a regular basis to develop and maintain lasting and meaningful relationships.

The Empower Group Limited

Strategic report (continued)

The Company and its subsidiaries are mindful of its payment policies, practices and performance with respect to its suppliers and takes steps to ensure that agreed payment terms are adhered to so as not to adversely affect supplier cash flows and ability to trade. The Board receives periodic reporting in this area, ensuring that appropriate controls and processes remain in place. Prior to making internal process improvements, consideration is given to the potential impact of proposed changes upon suppliers and other business partners.

People

Employees within the company and its subsidiaries are regularly surveyed using anonymous online surveys to gather data on their views and the Company and its subsidiaries' activities, including suggestions on how the working environment could be improved. Any actions and results of these surveys are communicated to all employees via regular webinars and are subsequently tracked to share the ongoing work which has been done to respond to employee feedback.

The Company and its subsidiaries have an ongoing and continuously developing programme of learning and development opportunities. These are regularly communicated by the HR team across the business to all employees to encourage professional development.

The European Leadership Team have regular meetings to discuss people and culture matters. In 2021 employees participated in an Employee opinion survey as they do each year, the results of which were shared with the European Leadership Team. This informs their decisions as to enhancements to be made by the business with respect to its People. The results are also shared and discussed with employees throughout the management structure to act on the findings of the survey.

The Company and its subsidiaries employ a code of conduct which is signed up to by all employees to encourage ethical behaviour as well as to highlight possible ethical threats which could be faced by the employees. Annual Mandatory Compliance Training is completed each year by every employee, which encompasses a wide of areas of behaviour including anti-bribery and appropriate workplace conduct.

Shareholders

ManpowerGroup Inc, the Company and its subsidiaries' ultimate parent company, has ongoing engagement with its shareholders on the enterprise's corporate governance practices, executive compensation program and environmental and social topics. ManpowerGroup Inc. representatives through a regional management structure, have a specific mandate to manage the board of the company and its subsidiaries and keep the Company and its subsidiaries informed as to shareholder views and provide alignment with ManpowerGroup Inc.

Environmental and Sustainability

It is the policy of the group to conduct business in a responsible way and in a manner designed to protect the health and safety of our colleagues, customers, the public and the environment. We will continually evaluate and assess our operations and business processes for opportunities to reduce adverse environmental impacts.

The Empower Group Limited

Strategic report (continued)

Future developments

The directors are not aware, at the date of this report, of any likely major changes in either the nature or level of the Company's activities in the forthcoming year. This is unchanged despite the uncertain economic climate due to COVID-19 or Brexit.

Approved by the Board of Directors and signed on behalf of the Board.

A handwritten signature in black ink, appearing to be 'B de Graaf', written over the printed name and title.

B de Graaf
Director

28 October 2022

50 Bank Street
Canary Wharf
London. E14 5NS

The Empower Group Limited

Directors' report

The directors present their annual report together with the audited financial statements of the Company for the year ended 31 December 2021.

Directors and their interests

The directors, who served throughout the year, except as noted, were as follows:

B de Graaf – appointed 31 March 2022
T Gilbert – appointed 28 February 2022
I C Symes (resigned 31 March 2022)
D Duffy (resigned 28 February 2022)

None of the directors had a material interest in any contract entered into by the Company during the year under review or the prior year.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on pages 2 and 3.

The Company has net assets of £6,600,000 and net current liabilities of £12,920,000. ManpowerGroup Inc., the Company's ultimate parent company, has given written assurance that they will continue to support the Company for at least twelve months subsequent to the sign off date of these financial statements.

Furthermore, the Directors have considered the ability of ManpowerGroup Inc. to support the Company. ManpowerGroup Inc. has a strong balance sheet and has a revolving credit agreement which allows borrowing of US\$600m. Under this credit facility, \$75.0 million has been borrowed as of December 31, 2021, and no borrowings as of December 31, 2020

After making enquiries of the parent company and considering the potential impact of Covid-19 the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements (see note 1).

Financial risk management objectives and policies

Details of financial risk management objectives and policies can be found in the Strategic report on page 2 "principal risks and uncertainties".

Future developments and events after the balance sheet date

Future developments are discussed in the strategic report on page 4 and events after the balance sheet date are discussed on page 20, note 13.

Results and Dividends

The profit for the year after taxation amounted to £11,000 (2020 – profit of £10,218,000).

The directors declared and paid a dividend of £13m (2020 - £10.2m).

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Directors' report (continued)

Political Donations

No political donations were paid in the year (2020 – nil)

Information to the auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.
- A resolution to reappoint Deloitte's as auditors will be proposed at the forthcoming Annual General Meeting.

This confirmation is given and should be interpreted in accordance with the provisions of s418 the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board



B de Graaf
Director

28 October 2022

50 Bank Street
Canary Wharf
London
E14 5NS

The Empower Group Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 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.

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Independent auditor's report to the members of The Empower Group Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of The Empower Group Limited (the 'company'):
give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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

The Empower Group Limited

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

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

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

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

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

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- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

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

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.



David Johnson (Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

Date: 28 October 2022

The Empower Group Limited

Profit and loss account For the year ended 31 December 2021

	Note	2021 £000	2020 £000
Interest income	3	11	12
Operating profit		<u>11</u>	<u>12</u>
Income from shares in group undertakings	10	-	10,206
Profit before taxation		11	10,218
Taxation	7	<u>-</u>	<u>-</u>
Profit for the financial year attributable to equity shareholder of the Company		<u>11</u>	<u>10,218</u>

All results are from continuing activities.

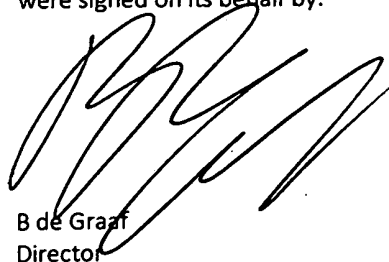
There have been no gains or losses other than the profit for the current and preceding year end. Accordingly, no statement of comprehensive income is presented.

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Balance sheet As at 31 December 2021

	Note	2021 £000	2020 £000
Fixed asset investments			
Investments	8	19,520	22,220
		<u>19,520</u>	<u>22,220</u>
Current assets			
Cash at bank and in hand		69	58
Intercompany receivable		11	11
		<u>80</u>	<u>69</u>
Creditors: amounts falling due within one year	9	(13,000)	(2,700)
Net current liabilities		<u>(12,920)</u>	<u>(2,631)</u>
Total assets less net current liabilities		<u>6,600</u>	<u>19,589</u>
Capital and reserves			
Called up share capital	12	5,629	8,179
Share premium account	12	-	-
Capital contribution	12	-	6,450
Profit and loss account	12	971	4,960
		<u>6,600</u>	<u>19,589</u>
Shareholder's funds		<u>6,600</u>	<u>19,589</u>

The financial statements of The Empower Group Limited, a company registered in England and Wales, registered number 03821351, were approved by the Board of Directors and authorised for issue on 28 October 2022. They were signed on its behalf by:



B de Graaf
Director

The Empower Group Limited

Statement of changes in equity For the year ended 31 December 2021

	Called up share capital £000	Share premium account £000	Capital contribution £000	Profit and loss account £000	Total £000
At 1 January 2020	8,179	-	6,450	4,948	19,577
Profit for the financial year	-	-	-	10,218	10,218
Total comprehensive income	-	-	-	10,218	10,218
Dividend paid (note 11)		-	-	(10,206)	(10,206)
At 31 December 2020	8,179	-	6,450	4,960	19,589
Profit for the financial year	-	-	-	11	11
Total comprehensive income	-	-	-	11	11
Reduction in share capital	(2,550)	-	(6,450)	9,000	-
Dividend paid (note 11)	-	-	-	(13,000)	(13,000)
At 31 December 2021	5,629	-	-	971	6,600

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Notes to the financial statements For the year ended 31 December 2021

1. Accounting policies

The principal accounting policies are summarised below. These have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

The Empower Group Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on page 1. The nature of The Empower Group Limited's operation and its principal activities are set out in the strategic report on page 2.

The financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of The Empower Group Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Empower Group Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Subsidiary undertakings have not been consolidated by The Empower Group Limited as they are consolidated in the financial statements of ManpowerGroup Inc., which may be obtained at 100 Manpower Place, Milwaukee, Wisconsin 53212, USA. Exemptions have been taken in these separate company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement, intra group transactions and balances, along with remuneration of key management personnel.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on page 2. The financial position of the Company is described in the balance sheet.

The Company has net assets of £6,600,000 and net current liabilities of £12,920,000. ManpowerGroup Inc., the Company's ultimate parent company, has given written assurance that they will continue to support the Company for at least twelve months subsequent to the sign off date of these financial statements.

Furthermore, the Directors have considered the ability of ManpowerGroup Inc to support the Company. ManpowerGroup Inc has a strong balance sheet and has a revolving credit agreement, which allows borrowing of US\$600m. Under this credit facility, \$75.0 million has been borrowed as of December 31, 2021, and no borrowings as of December 31, 2020.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

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Notes to the financial statements For the year ended 31 December 2021

1. Accounting policies (continued)

Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs).

Financial assets and liabilities are only offset in the balance sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Debt instruments that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash expected to be received.

Investments

In the balance sheet, investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Interest Income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend Income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established (provided it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

The Empower Group Limited

Notes to the financial statements For the year ended 31 December 2021

1. Accounting policies (continued)

Taxation

Current tax, comprising UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date.

Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred taxation is measured on a non-discounted basis using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currencies

Intragroup indebtedness with overseas group undertakings which are denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. The profits and losses arising on such translations are reflected in the profit and loss account.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The directors do not believe that there are any key judgements involved in preparation of these financial statements.

The directors consider that they have made no significant judgements in the process of applying the Company's accounting policies to prepare these financial statements. The directors do not believe there are any sources of estimation uncertainty for the year end.

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Notes to the financial statements For the year ended 31 December 2021

3. Interest income

	2021 £000	2020 £000
Interest receivable from group undertakings	<u>11</u>	<u>12</u>

4. Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual accounts were £2,000 (2020 - £2,000) and have been borne by its wholly owned subsidiary, RMC EMEA Limited.

5. Staff numbers and costs

There were no employees of the Company in 2021 or 2020.

6. Directors' remuneration and transactions

The directors received no remuneration for services to the Company in 2021 or 2020.

7. Tax on profit

	2021 £000	2020 £000
The tax charge comprises:		
Current tax on profit		
UK corporation tax	-	-
Total current tax	<u>-</u>	<u>-</u>
Total tax on profit	<u>-</u>	<u>-</u>

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2021 £000	2020 £000
Profit before taxation	<u>11</u>	<u>10,218</u>
Tax on profit at standard UK tax rate of 19% (2020 – 19%)	2	1,941
Effects of:		
Exempt dividend	-	(1,939)
Utilisation of previously unrecognised tax losses	<u>(2)</u>	<u>(2)</u>
Total tax on profit	<u>-</u>	<u>-</u>

The Empower Group Limited

Notes to the financial statements For the year ended 31 December 2021

The Finance (No.2) Act 2015 reduced the standard rate of UK corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020. However, legislation in the Finance Act 2020 enacted in July 2020 repealed the reduction. The finance bill 2021 included measures to increase the standard rate of UK corporation tax to 25% with effect from 1 April 2023. The Finance Bill 2021 was enacted in June 2021 and accordingly, these rates are applicable to the measurements of deferred tax balances at 31 December 2021.

The UK budget 2021 announcements on 3 March 2021 included measures to support the economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were not substantively enacted at the balance sheet date and hence have not been reflected in the measurement of deferred tax balances as at 31 December 2021. It is not anticipated that these changes will have a material impact on the company's/group's deferred tax balances.

The Company has unrecognised deferred tax assets of approximately £187,000 (2020 - £144,000). The unrecognised deferred tax assets would be recoverable by way of relief against future taxable profits. There is no expiry date on these timing differences and unused tax losses.

8. Fixed asset investments

	2021 £000	2020 £000
Shares in subsidiary undertakings	8,226	8,226
Amounts due from parent undertakings	664	664
Amounts due from RMC EMEA Ltd	10,630	13,330
	<u>19,520</u>	<u>22,220</u>

Company		
	Loans £	Total £
Carrying value for amounts due from parent undertakings		
At 1 January 2021	664	664
Disposals	<u>-</u>	<u>-</u>
At 31 December 2021	<u>664</u>	<u>664</u>

The Company's investments in its subsidiary undertakings are shown in the appendix to these financial statements.

Amounts due from parent undertakings include £664,000 (2020 - £664,000) of unsecured loan notes, bearing interest at 2% (2020 - 2%) and repayable on demand.

The Empower Group Limited

Notes to the financial statements For the year ended 31 December 2021

9. Creditors: amounts falling due within one year

	2021 £000	2020 £000
Amounts owed to Bafin Holdings Ltd	-	2,700
Amounts owed to Right Management Ltd	13,000	-

This payable relates to loans that are unsecured, interest free, and repayable on demand.

10. Dividends received

	2021 £000	2020 £000
Dividends received from Right Management Singapore Pte Ltd	-	10,206

11. Dividends paid

	2021 £000	2020 £000
Dividends paid to Right Licence Holding Inc	13,000	10,206

12. Called up share capital and reserves

	2021 £000	2020 £000
Authorised:		
10,000,000 Ordinary shares of £1 each	10,000	10,000
Called up, allotted and fully paid		
5,629,200 Ordinary shares of £1 each	5,629	8,179

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's other reserves are as follows:

The capital contribution reserve represents cash contributions from the ultimate parent company, ManpowerGroup Inc.

The profit and loss reserve represents cumulative profit or losses, net of dividends paid and other adjustments.

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Notes to the financial statements For the year ended 31 December 2021

13. Post Balance Sheet and Subsequent Events

There have been no subsequent events and the company does not expect the war in Ukraine to impact the business.

14. Ultimate controlling party

The Company's ultimate parent company and controlling party remains ManpowerGroup Inc., a company incorporated in the United States of America, as both Right License Holding and Bafin Holdings Ltd are subsidiaries of ManpowerGroup Inc.

The Company's immediate parent company is Right License Holdings Inc., a company incorporated in the United States of America. The only group in which the results of The Empower Group Limited are consolidated is that headed by ManpowerGroup Inc., whose principal place of business is at 100 Manpower Place, Milwaukee, Wisconsin 53212, USA. The annual report of this group is available to the public and may be obtained from the above address.

On 26 October 2021 Right License Holding Inc sold 35% of its holding, to Bafin Holdings Ltd, by selling 1,979,220 shares.

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Appendix to the financial statements For the year ended 31 December 2021

Name of undertaking	Country of Incorporation	Principal activity	Registered office/principal place of business	Holding	%
Directly held:					
RMC EMEA Limited	United Kingdom	Management & holding company	50 Bank Street, Canary Wharf, London E14 5NS England	Ordinary	100
Right Management Singapore Pte Ltd	Singapore	Outplacement & career management consultants	10 Hoe Chiang Road; Suite 12-07, Singapore 89315, Singapore	Ordinary	100
Indirectly held:					
Right Management Limited	United Kingdom	Outplacement & career management consultants	50 Bank Street, Canary Wharf, London E14 5NS England	Ordinary	100
Right Management GmbH	Germany	Outplacement & career management consultants	Walther-von-Cronberg-Platz 2, 60594 Frankfurt am Main, Germany	Ordinary	100
Right Transition Limited	Ireland	Outplacement & career management consultants	8 Harcourt Street, Dublin 2, Ireland	Ordinary	100
Talent Solutions ManpowerGroup AG	Switzerland	Outplacement & career management consultants	Renggerstrasse 3, 8038 Zurich, Switzerland	Ordinary	100
Right Management (Belgium) NV	Belgium	Outplacement & career management consultants	Gemeenschappenlaan 110, 1200 Sint-Lambrechts-Woluwe, Belgium	Ordinary	100

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Name of undertaking	Country of incorporation	Principal activity	Registered office/principal place of business	Holding	%
Right Management Spain S.L.U.	Spain	Outplacement & career management consultants	Paseo de la Castellana 15, Madrid 28046 Spain	Ordinary	100
Coutts Consulting Group B.V.	Netherlands	Non-trading	Watertorenplein 4a, Amsterdam, 1051PA, Netherlands	Ordinary	100