Registration number: 04012805

KEEN THINKING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

KEEN THINKING LIMITED

CONTENTS

KEEN THINKING LIMITED

COMPANY INFORMATION

Directors	T Atkinson D Thornhill Simplicity Tech Group Limited
Company secretary	T Atkinson
Registered office	The Aspen Building Vantage Point Business Village Mitcheldean Gloucestershire GL17 0DD
Auditors	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX

KEEN THINKING LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their strategic report for the year ended 31 March 2023.

Principal activity
The principal activity of the company is that of providing funding and accounting services to recruitment agencies and facilitating the provision of temporary staff on behalf of recruitment agencies.

Fair review of the business
The directors consider the results for the year to be satisfactory.

The company has continued to improve its infrastructure with a view to increasing its market share. The directors are confident that their strategy will continue to give improved results for the year.

The company's key financial and other performance indicators during the year were as follows:

Financial KPIs	Unit	2023	2022
Turnover	£ '000	5,863	4,987
Gross profit margin	%	63	60
Operating profit margin	%	22	17
Current assets as a percentage of current liabilities	%	113	108

Principal risks and uncertainties

The management of the company and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to the general economic climate, and competition from other providers.

The company is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures.

Going Concern
In accordance with Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2006' the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting.

The company continues to enjoy the full support of its funders. It has more than sufficient financial resources available and is generating both profit and cash. The directors have prepared forecasts for the next 12 months and these indicate that the company is well positioned to enjoy continued growth and profitability, due to the actions initially taken. The directors believe that the company has more than sufficient resources to continue for the foreseeable future and have therefore continued to adopt the going concern basis for the preparation of the financial statements.

Approved by the Board on 5/10/2023 and signed on its behalf by:

....
D Thornhill
Director

KEEN THINKING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors of the company
The directors who held office during the year were as follows:

T Atkinson

D Thornhill

The following director was appointed after the year end:

Simplicity Tech Group Limited (appointed 30 June 2023)

Future developments
The company has continued to improve its infrastructure, as set out in the Strategic Report. The directors are confident that their strategy will give improved results for the year ending 31 March 2024.

Research and development
The group undertakes an element of research and development in development of new software products.

Disclosure of information to the auditors
Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors
Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 5/10/2023 and signed on its behalf by:

....

D Thornhill
Director

KEEN THINKING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' 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). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEEN THINKING LIMITED

Opinion

We have audited the financial statements of Keen Thinking Limited (the 'company') for the year ended 31 March 2023, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, 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 Financial Reporting Standard 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 company's affairs as at 31 March 2023 and of its 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 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 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 company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 Directors' Report for the financial year 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 our 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 and the Directors' Report.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEEN THINKING LIMITED

- 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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.

Extent to which the audit was 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, including the UK Companies Act and tax legislation, and, those that 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 judgments made in 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 misstatements due to fraud;
- enquiring of management 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.

KEEN THINKING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEEN THINKING LIMITED

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures,performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this 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.

....
Ryan Hancock (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Staverton Court
Staverton
Cheltenham
GL51 0UX

Date: 06/10/2023

KEEN THINKING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Turnover	3	5,863,145	4,987,342
Cost of sales		(2,192,026)	(1,990,818)
Gross profit		3,671,119	2,996,524
Administrative expenses		(2,359,749)	(2,145,870)
Operating profit	4	1,311,370	850,654
Income from interest in partnership	6	-	60,440
Interest payable and similar charges	7	(820,837)	(325,227)
Profit before tax		490,533	585,867
Taxation	10	533	(114,232)
Profit for the financial year		491,066	471,635

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

KEEN THINKING LIMITED

(REGISTRATION NUMBER: 04012805)
BALANCE SHEET AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	22,909	12,993
Investments	12	60,440	60,440
		83,349	73,433
Current assets			
Debtors	13	21,707,375	23,123,369
Cash at bank and in hand		355,958	3,643,758
		22,063,333	26,767,127
Creditors: Amounts falling due within one year	14	(19,607,629)	(24,785,226)
Net current assets		2,455,704	1,981,901
Total assets less current liabilities		2,539,053	2,055,334
Creditors: Amounts falling due after more than one year	14	(22,435)	(32,387)
Provisions for liabilities	10	(3,857)	(1,252)
Net assets		2,512,761	2,021,695
Capital and reserves			
Called up share capital	16	189	189
Capital redemption reserve		167,511	167,511
Profit and loss account		2,345,061	1,853,995
Total equity		2,512,761	2,021,695

Approved and authorised by the Board on 5/10/2023 .... and signed on its behalf by:

....

D Thornhill
Director

KEEN THINKING LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Capital redemption reserve	Profit and loss account	Total
	£	£	£	£
At 1 April 2021	189	167,511	1,382,360	1,550,060
Profit for the year	-	-	471,635	471,635
At 31 March 2022	189	167,511	1,853,995	2,021,695

	Share capital	Capital redemption reserve	Profit and loss account	Total
	£	£	£	£
At 1 April 2022	189	167,511	1,853,995	2,021,695
Profit for the year	-	-	491,066	491,066
At 31 March 2023	189	167,511	2,345,061	2,512,761

The notes on pages 11 to 19 form an integral part of these financial statements.

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
The Aspen Building
Vantage Point Business Village
Mitcheldean
Gloucestershire
GL17 0DD
United Kingdom

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation
These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Name of parent of group
These financial statements are consolidated in the financial statements of Simplicity Tech Group Limited.

The financial statements of Simplicity Tech Group Limited may be obtained from the company's registered office.

Going concern
Having implemented a full business review and restructure the directors believe that the company has more than sufficient resources to continue for the foreseeable future and therefore should continue to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the company's accounting policies, 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 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.

Judgements
No significant judgements have been made by management in preparing these financial statements.

Key sources of estimation uncertainty
No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Revenue recognition
Turnover represents commissions and fees receivable, net of value added tax, for the provision of finance and administration services.

Fee income represents revenue earned under a wide variety of administrative services and for the provision of finance. Revenue is recognised at the point where the services provided are processed and completed.

Foreign currency transactions and balances
Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax
The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets
Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation
Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% Straight-line basis

Business combinations
Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquiisition date if the adjustment is probable and can be measured reliably.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors
Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases
Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation
A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification
Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement
All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2023	2022
	£	£
Rendering of services	5,863,145	4,987,342

The total turnover of the company has been derived from its principal activity wholly undertaken in the UK.

KEEN THINKING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

4 Operating profit

Arrived at after charging/(crediting):

	2023 £	2022 £
Depreciation expense	13,601	14,072
Research and development cost	218,522	295,760
Foreign exchange (gains)/losses	(2,861)	6,184
Operating lease expense - property	208,158	179,287

5 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	12,000	11,000

6 Other interest receivable and similar income

	2023 £	2022 £
Income from interest in partnerships	-	60,440

7 Interest payable and similar expenses

	2023 £	2022 £
Interest on bank overdrafts and borrowings	820,837	325,227

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2023 £	2022 £
Wages and salaries	1,569,852	1,387,112
Social security costs	168,302	137,393
Pension costs, defined contribution scheme	4,817	23,361
Other employee expense	172,262	132,887
	1,915,233	1,680,753

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

	2023 No.	2022 No.
Administration and support	54	49

9 Key Management remuneration

The key management remuneration for the year was as follows:

	2023 £	2022 £
Remuneration	208,979	192,262
Contributions paid to money purchase schemes	70,273	72,667
	279,252	264,929

10 Taxation

Tax credited in the profit and loss account

	2023 £	2022 £
Current taxation		
UK corporation tax	89,612	117,412
UK corporation tax adjustment to prior periods	(92,750)	-
	(3,138)	117,412
Deferred taxation		
Arising from origination and reversal of timing differences	2,605	(3,180)
Tax (receipt)/expense in the income statement	(533)	114,232

The corporation tax credit for the year and the corporation tax adjustment to prior periods arising as a result of enhanced R&D allowances available to the company.

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2022 - higher than the standard rate of corporation tax in the UK) of 19% (2022 - 19%).

The differences are reconciled below:

	2023 £	2022 £
Profit before tax	490,533	585,867
Corporation tax at standard rate	93,201	111,315
Effect of expense not deductible in determining taxable profit (tax loss)	(2,731)	2,917
Decrease in UK and foreign current tax from adjustment for prior periods	(92,750)	-
Tax increase from effect of capital allowances and depreciation	6,125	-
Tax increase from other short-term timing differences	2,605	-
Tax decrease arising from group relief	(6,983)	-
Total tax (credit)/charge	(533)	114,232

Deferred tax

Deferred tax assets and liabilities

	Liability
2023	**£**
Fixed asset timing difference	3,857
	3,857

	Liability
2022	**£**
Fixed asset timing difference	1,252
	1,252

11 Tangible assets

	Furniture, fittings and equipment £
Cost	
At 1 April 2022	188,903
Additions	23,517
At 31 March 2023	212,420
Depreciation	
At 1 April 2022	175,910
Charge for the year	13,601
At 31 March 2023	189,511
Carrying amount	
At 31 March 2023	22,909
At 31 March 2022	12,993

12 Investments

Interest in partnerships	**£**
Cost	
At 1 April 2022 and at 31 March 2023	60,440

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held 2023	2022
Associates				
Infinity Skills LLP	England and Wales	Designated member	50%	50%
Recruitment Staffing Solutions LLP	England and Wales	Designated member	50%	50%

13 Debtors

		2023 £	2022 £
Amounts owed by related parties	18	1,796,137	681,671
Other debtors		19,805,770	22,426,720
Prepayments		105,468	14,978
		21,707,375	23,123,369
Less non-current portion		(40,017)	(40,017)
Total current trade and other debtors		21,667,358	23,083,352

14 Creditors

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings		13,854,397	14,952,662
Trade creditors		17,092	63,389
Amounts due to related parties	18	-	777,975
Social security and other taxes		849,877	228,696
Other creditors		4,581,329	8,487,625
Accrued expenses		215,322	157,467
Corporation tax liability	10	89,612	117,412
		19,607,629	24,785,226
Due after one year			
Loans and borrowings		22,435	32,387

Loans and borrowings

Loans and borrowings relate to an invoice discounting facility which is secured over the company's other debtors.

Included in loans and borrowings is £32,407 (2022 - £42,110) in relation to the Coronavirus Bounce Back Loan Scheme. The amount due in under one year was £9,972 (2022 - £9,723) and the amount due in over one year was £22,435 (2022 - £32,387).

15 Pension and other schemes

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £4,817 (2022 - £23,361).

16 Share capital

Allotted, called up and fully paid shares

	2023 No.	£	2022 No.	£
Ordinary shares of £1 each	189	189	189	189

17 Obligations under leases

The total of future minimum lease payments is as follows:

	2023	2022
	£	£
Not later than one year	127,206	114,710
Later than one year and not later than five years	524,170	614,725
Later than five years	-	42,890
	651,376	772,325

The amount of non-cancellable operating lease payments recognised as an expense during the year was £208,158 (2022 - £179,287).

18 Related party transactions

Summary of transactions with key management
Key management personnel are considered to be the directors of the company and key management personnel compensation is disclosed in note 9 to the financial statements.

During the year, the company incurred management charges of £360,000 (2022 - £311,040) and charged rent of £nil (2022 - £34,026) to related group entities. At the balance sheet date, the amount owed by group entities was £1,796,137 (2022 - £681,671). At the balance sheet date, the amount owed to group entities was £nil (2022 - £777,975).

19 Parent and ultimate parent undertaking

The parent of the largest group in which these financial statements are consolidated is Simplicity Tech Group Limited, incorporated in England and Wales.