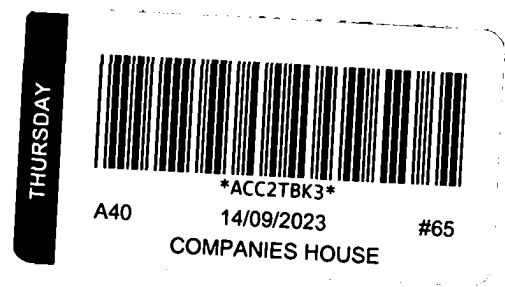


**Company Registration No. 04197152**

**Maxxima Limited**

**Annual report and financial statements**

**For the year ended 31 December 2022**



## **Maxxima Limited**

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## **Maxxima Limited**

### **Strategic report**

The directors, in preparing this strategic report, have complied with Section 414C of the Companies Act 2006.

#### **Principal activity and Business review**

Maxxima Limited (“the company”) is engaged in the provision of highly skilled and specialised workforce solutions and services across the health care industry.

The results for the year ended 31 December 2022 are set out in the Profit and loss account on page 10. Turnover has decreased from £40.7 in the year ended 31 December 2021 to £34.2m in the year ended 31 December 2022 and profit after tax has declined from £1.1m in the year ended 31 December 2021 to a loss of £1.7m in the year ended 31 December 2022.

The company is managed as part of a larger group, Acacium Group Limited (“the group”). The group financial statements are available to the public and can be obtained as set out in note 20.

In the year, the company focused on growing and diversifying its geographical coverage, service offering and quality of service. The directors continue to adopt the following strategies to achieve these objectives:

- Invest in scalable process improvement, technology and analytics to improve candidate and client experience as well as our insight into candidate behaviour and to drive productivity across the company;
- Widen the company’s services by expanding into adjacent segments and scaling existing services. The company continues to invest in developing new offerings to support areas of focus in the NHS long term plan around mental health;
- Expand the company’s UK specialised staffing leadership position, using our scale and digital solutions capabilities to offer candidates and clients better experience and range of opportunities.

#### **Performance analysis**

The principal financial KPI for the company is gross profit. Total gross profit for the year was £2.4m (2021 - £5.9m). Performance has declined since prior year primarily due to loss of covid related projects undertaken in the previous year.

In addition to monitoring trading performance across the company, the company continued to follow government guidelines and regulations in each country where the company operates to ensure that the company is safeguarding the wellbeing of employees, candidates and service users whilst continuing to work closely with clients to support their changing needs.

#### **Research and development**

The sectors in which the company operates are highly competitive. Its businesses are encouraged to continually research and develop new and innovative services and to improve processes to meet client and candidate demands in a changing market.

In 2022 the company has continued to develop a service development protocol to put more structure in place to support and accelerate investments in new capabilities. Improvements are focused on using data and digital enablement to deliver scalable propositions that enhance productivity, improve client and candidate experience and to develop new service offerings which meet the needs of our partners particularly in the areas of mental health, preventative healthcare, patient flow and community healthcare. To underpin the improvements above, the company continues to increase the level of investment in its Technology and Transformation teams compared to prior years. The company continues to enhance expertise in use of data and analytics, automation and apps designed to enable self-service and more effective workforce management for our clients.

#### **Future developments**

The company is well positioned for the future. The company’s strategy has been developed to support our clients in dealing with the underlying trend of increasing demand for healthcare services.

## Maxxima Limited

### Strategic report (continued)

#### Principal risks and uncertainties

The company actively considers and manages its risks. The directors consider the company to be subject to the following material areas of risk:

#### Business and operational risk management


- **Generating revenue from clients:** the company provides its workforce solutions and services to the healthcare sector. As with many businesses, the company has an inherent risk arising from the political and economic climates in which it operates. The principal market is the UK and that market, which includes the provision of services to the NHS as well as private entities, has long term drivers which include the UK's growing and ageing population and the need to deliver new healthcare delivery models in light of ongoing structural resource shortages. Such markets can be impacted by short term regulatory initiatives. The company actively engages with its stakeholders, including regulators and policymakers to help best serve the changing needs of the healthcare system.
- **Availability of skilled workforce:** the company's ability to meet demand is influenced by its ability to attract and retain candidates with the requisite skill sets. This supply side risk is impacted by external factors such as the regulation of agency staff in the UK.
- **Clinical risk:** like all providers to the health sector, the company is required to adhere to clinical standards with regard to the services it provides.

To address these risks, and to maintain the company's client base and geographical coverage, management perform regular business reviews to monitor performance against expectations. These reviews include monitoring the diversity of the client base to avoid over-reliance on any one customer. The company seeks to continually develop new ways to put the workforce to work to mitigate the impact of changes in performance and continues to invest in its clinical governance support framework. The company also continues to invest in technology solutions to both improve the efficiency of its operations and the experience offered to candidates, clients, and service users; and to underpin innovative new service delivery models.

#### Financial risk management

- **Credit risk:** the company's principal financial assets are cash, and trade and other receivables. The company's credit risk is primarily attributable to its trade receivables. This is managed by regular monitoring of client trade receivable accounts. An allowance for impairment is made where management expects, based on an expected credit loss model which factors in previous loss history and expected future changes in the market, a reduction in the recoverability of the cash flows. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.
- **Liquidity risk:** to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, management regularly reviews the cash flows and financing arrangements of the business to ensure there is sufficient funding in place.

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

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**T C Richards**

Director

7/7/2023

## **Maxxima Limited**

### **Directors' report**

The directors present their annual report on the affairs of the company together with the audited financial statements and independent auditor's report for the year ended 31 December 2022.

#### **Dividends**

Dividends of £1,400,000 (2021 - £nil) were declared and paid during the year.

#### **Directors and directors' indemnities**

The directors, who served throughout the year and up to the date of this report, were as follows:

Thomas Richards  
Michael Barnard

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

#### **Going concern**

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the annual report and financial statements as disclosed in note 2 on page 13 of the financial statements.

In making the going concern assessment the directors have assessed the liquidity points below:

- at the date of these accounts, the group has not seen any reduction in levels of cash collection compared to pre-crisis levels;
- the group retains access to the senior term loan facilities of £375m, revolving capital facility of £45m, incremental facility of \$140m and \$30m line of credit. There are no repayments falling due within 12 months of these financial statements;
- A group liquidity analysis has been performed which forecasts sufficient cash reserves and headroom on covenants

Furthermore, the group has agreed to provide financial assistance as necessary for at least 12 months from the date of signature of the financial statements and has provided a letter of support stating as such. The directors have considered the ability of the group to provide this support and are satisfied in this respect.

#### **Post balance sheet events**

There were no post balance sheet events.

#### **Future developments**

Details of the future developments of the company are explained on page 3 in the strategic report and form part of this report by cross-reference.

#### **Risk management**

Risk management including financial risk management of the company is detailed on page 4 in the strategic report and form part of this report by cross-reference.

#### **Disclosure of information to auditor**

Each of the persons who are 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.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

## Maxxima Limited

### Directors' report (continued)

#### Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

#### Statement of Directors' responsibilities

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 101 "Reduced Disclosure Framework". Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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; 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

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**T C Richards**  
Director

7/7/2023

## **Maxxima Limited**

### **Independent auditor's report to the members of Maxxima Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of Maxxima Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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 101 "Reduced Disclosure Framework; 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;
- the related notes 1 to 20.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (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 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.

## **Maxxima Limited**

### **Independent auditor's report to the members of Maxxima Limited (continued)**

#### **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](http://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 frameworks 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, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These include the CARES Act, Health and Social Care Act 2008 (for England), the Care Standards Act 2000 (for Wales) and General Data Protection Regulation (GDPR).

We discussed among the audit engagement team, including significant component audit teams and relevant internal specialists such as tax and IT specialists, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- We have identified significant risk related to the cut-off of revenue, specifically if time sheets are submitted late and not accrued for accurately by the company. Significant risk relating to revenues and accruals for time sheets not submitted is addressed by the testing of post year end revenue cut off and the completeness and accuracy of the late timesheet revenue accrual. We obtained management's calculations of the current year late time sheet accruals, which were based on historical ratios of actual costs booked in the subsequent period (January 2022) but related to the prior year (December year-end 2021). We tested the rational and underlying data supporting the historical ratios and accruals made at year-end.



## Maxxima Limited

### Independent auditor's report to the members of Maxxima Limited (continued)

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;
- 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 and reviewing any correspondence with HMRC.

#### 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 their 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

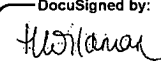
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company 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.

DocuSigned by:  
  
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**Helen Wildman BA ACA** (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

7/7/2023

## Maxxima Limited

### Profit and loss account

#### For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Turnover	4	34,223	40,685
Cost of Sales		(31,817)	(34,756)
<b>Gross Profit</b>		<b>2,406</b>	<b>5,929</b>
Other operating expenses		(4,085)	(4,784)
<b>Operating (Loss)/Profit</b>	5	<b>(1,679)</b>	<b>1,145</b>
Interest income	6	23	-
Interest expense	6	(13)	(38)
<b>(Loss)/Profit before taxation</b>		<b>(1,669)</b>	<b>1,107</b>
Tax on (loss)/profit	8	17	21
<b>(Loss)/Profit for the financial year</b>		<b>(1,652)</b>	<b>1,128</b>

The notes on pages 13 to 23 are an integral part of these financial statements.

All results relate to continuing operations.

There are no items of other comprehensive income in either year other than those reflected in the profit and loss account. Accordingly, no separate statement of other comprehensive income is presented.

## Maxxima Limited

### Balance sheet

As at 31 December 2022

	Note	2022 £'000	2021 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	9	151	68
Tangible assets	10	25	310
Deferred tax asset	11	47	30
		<b>223</b>	<b>408</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	12	9,924	10,431
Cash and cash equivalents		2,107	627
		<b>12,031</b>	<b>11,058</b>
<b>Total assets</b>		<b>12,254</b>	<b>11,466</b>
<b>Creditors: amounts falling due within one year</b>	13	(11,093)	(7,089)
<b>Net current assets</b>		<b>938</b>	<b>3,969</b>
<b>Total assets less current liabilities</b>		<b>1,161</b>	<b>4,377</b>
<b>Non-current liabilities</b>			
Provisions for other liabilities	14	-	(162)
Other non-current liabilities	15	-	(2)
<b>Net assets</b>		<b>1,161</b>	<b>4,213</b>
<b>Capital and reserves</b>			
Called up share capital *	17	-	-
Profit and loss account		1,161	4,213
<b>Shareholder funds</b>		<b>1,161</b>	<b>4,213</b>

\* Amount less than £1,000.

The notes on pages 13 to 23 are an integral part of these financial statements.

The financial statements of Maxxima Limited (registered number 04197152) were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

DocuSigned by:

*Tom Richards*

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**T C Richards**  
Director

7/7/2023

**Maxxima Limited****Statement of changes in equity****For the year ended 31 December 2022**

	<b>Called up share capital £'000</b>	<b>Profit and loss account £'000</b>	<b>Total Equity £'000</b>
At 1 January 2021	-	3,085	3,085
Profit and total comprehensive income for the year	-	1,128	1,128
<b>Balance at 31 December 2021</b>	<b>-</b>	<b>4,213</b>	<b>4,213</b>
Loss and total comprehensive expense for the year	-	(1,652)	(1,652)
Dividends paid	-	(1,400)	(1,400)
<b>Balance at 31 December 2022</b>	<b>-</b>	<b>1,161</b>	<b>1,161</b>

# **Maxxima Limited**

## **Notes to the financial statements**

### **For the year ended 31 December 2022**

#### **1. General information**

Maxxima Limited is a private company limited by shares, registered in England and Wales, and incorporated in the United Kingdom under the Companies Act 2006. The registered office address of the company is 9 Appold Street, London, United Kingdom, EC2A 2AP. The nature of the company's operations and its principal activities are set out in the strategic report on page 3.

#### **2. Accounting policies**

##### **2.1 Basis of accounting**

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, these financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

The company financial statements have been prepared on the historical cost basis, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to (to the extent applicable to the company) business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective and related party transactions. Where required, equivalent disclosures are given in the group financial statements of Acacium Group Limited; which are available to the public and can be obtained as set out in note 20.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year in dealing with material items in the financial statements.

##### **2.2 New and revised IFRSs**

During the year, the standards which were amended and implemented were:

- Amendments to IAS 16 & IAS 37

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

##### **2.3 Going concern**

The directors have a reasonable expectation that the group and the company have adequate resources to continue in operational existence for the foreseeable future. The directors are satisfied that the company will be able to satisfy its obligations for at least 12 months from the date of signature of the financial statements, which have been prepared on the going concern basis.

Furthermore, the group has agreed to provide financial assistance as necessary for at least 12 months from the date of signature of the financial statements and has provided a letter of support stating as such. The directors have considered the ability of the group to provide this support and are satisfied in this respect.

Further information on Going Concern is included in the directors' report on page 5 and in consolidated financial statements of Acacium Group Limited.

##### **2.4 Turnover recognition**

The company derives its turnover from contracts with customers for the transfer of services over time and at a point in time in the following major sources:

- Permanent staff
- Temporary staff

## **Maxxima Limited**

### **Notes to the financial statements (continued)**

#### **For the year ended 31 December 2022**

##### **2.4 Turnover recognition (continued)**

###### **Permanent staff**

The company provides placements of permanent staff. Turnover from the placement of permanent staff represents the contractual commission receivable, excluding value added tax, and is recognised (net of any provisions for clawback under the contract) when the performance obligations are satisfied – being the placement of the candidate with the end client.

###### **Temporary staff**

The company provides placements of temporary staff. Turnover from the placement of temporary staff represents the gross sales value of hours worked and is recognised when the performance obligations are satisfied – being the working of hours by the staff.

##### **2.5 Finance costs**

Where financial liabilities are measured at amortised cost using the effective interest method, interest expense is recognised on an effective yield basis in profit or loss within finance costs.

To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognised in other comprehensive income and released to profit or loss when the qualifying asset impacts profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalised borrowing costs reflect the hedged interest rate.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

##### **2.6 Finance income**

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

##### **2.7 Taxation**

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. The tax currently payable is based on taxable profit for the year.

Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

## Maxxima Limited

### Notes to the financial statements (continued)

#### For the year ended 31 December 2022

##### 2.7 Taxation (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

##### 2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, intangible assets are stated at cost less accumulated amortisation. Amortisation is provided to write off the cost less the estimated residual value of intangible fixed assets by equal instalments over the estimated useful economic lives of the assets. These intangible assets are being amortised as follows:

Computer software	3 years
-------------------	---------

Amortisation is included in administrative expenses.

##### 2.9 Tangible fixed assets

Leasehold property comprises office accommodation and is shown at historical cost of acquiring the lease, less leasehold amortisation over the duration of the leasehold acquired. The cost of improvements to the lease acquired, to allow the accommodation to be of use for the purpose of the company, are added to the cost of the lease, and less subsequent amortisation based on the duration of the property leasehold. No revaluations are undertaken on leasehold property.

Furniture and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	over the term of the lease
Furniture and fittings	3 – 10 years
Right-of-use assets	over the term of the lease

Residual value is calculated on prices prevailing at the date of acquisition or revaluation. Useful lives and residual values are reviewed at the end of every reporting period.

##### Impairment of tangible and intangible assets

At each balance sheet date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

## **Maxxima Limited**

### **Notes to the financial statements (continued)**

#### **For the year ended 31 December 2022**

##### **2.9 Tangible fixed assets (continued)**

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### **2.10 Leases**

Leases are recognised as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the company. A right-of-use asset and lease liability in respect of each lease is recognised in the company balance sheet at the present value of the expected future lease payments that are unpaid at the commencement date. The lease payments are discounted to their present value using the company's incremental borrowing rate. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The company applies the cost model to subsequently measure the right-of-use assets, applying the depreciation requirements in IAS 16 Property, Plant & Equipment by depreciating right-of-use assets on a straight-line basis over the lease term. Right-of-use asset is assessed annually for impairment on a lease by lease basis and any impairment charge recognised is taken to the income statement.

Right-of-use assets are adjusted for any remeasurement of the lease liability, which is undertaken if there is a change in the lease term or there is an option to purchase the underlying assets.

Lease liabilities are subsequently measured after initial recognition by increasing the carrying amount to reflect interest on the lease liabilities and reducing the carrying amount to reflect lease payments made. The carrying amount of lease liabilities is also adjusted to reflect any reassessment or lease modifications. In the event that lease incentives are received to enter into any leases, such incentives are incorporated on initial measurement of the lease liability. The aggregate benefit of incentives is recognised on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lease assets and liabilities recognised represent contracts entered into by the company for its office properties, vehicle leasing, IT equipment and other equipment. Rental contracts are typically made for fixed periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. Extension and termination options are included in a number of leases within the company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or a termination option. Extension options or early termination options are only included in the assessment of the expected lease term if the lease is reasonably certain to be extended or terminated.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

The company applies a single discount rate to the portfolio of leases with reasonably similar characteristics.

##### **2.11 Provisions**

Provisions for leased property dilapidations, and any other anticipated foreseen liabilities are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.



## Maxxima Limited

### Notes to the financial statements (continued)

#### For the year ended 31 December 2022

##### 2.12 Foreign currency

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the company operates (its functional and presentational currency). Transactions in currencies other than the functional currency are recorded at the rate of exchange at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

##### 2.13 Financial assets and liabilities

###### (a) Classification and recognition of financial assets and financial liabilities

Trade and other receivables, loans to receivables and cash and bank balances are classified and measured at 'amortised cost'. They are initially recognised at fair value plus transaction costs, and are subsequently carried at amortised cost.

###### (b) Impairment of financial assets (including receivables):

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss. For trade receivables, the company has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The company determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

### 3. Key sources of estimation uncertainty and critical accounting judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the accounting policies. The resulting accounting estimates will, by definition, seldom equal the related actual results and could result in a change to the estimates in the next or future financial years.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In determining whether there have been any indicators of impairments to the intangible assets, management considers both external and internal sources of information such as market conditions, experience of recoverability and expected cash flows deriving from the assets.

We have identified no critical accounting judgements or key sources of estimation uncertainty in the year.

### 4. Turnover

All turnover relates to the provision of staffing services to the healthcare sector and is derived from the United Kingdom except for £594,000 (2021 - £478,000) generated in Europe.

## Maxxima Limited

### Notes to the financial statements (continued)

#### For the year ended 31 December 2022

##### 4. Turnover (continued)

Disaggregation of revenue	2022	2021
	£'000	£'000
Permanent staff	193	190
Temporary staff	34,030	40,495
<b>Total revenue</b>	<b>34,223</b>	<b>40,685</b>

##### 5. Operating (loss)/profit

(Loss)/Profit is calculated after charging the following items:

	Note	2022	2021
		£'000	£'000
Depreciation of tangible fixed assets owned	10	172	58
Depreciation of right-of-use asset	10	115	272
Amortisation of intangible assets	9	35	29

The audit fee of £23,100 (2021 - £22,000) for Maxxima Limited for the audit of the financial statements and is paid on its behalf by another group company.

Fees payable to Deloitte LLP and its associates for non-audit services to the company are not required to be disclosed because the consolidated financial statements are required to disclose such fees on a consolidated basis.

##### 6. Interest income and expense

	2022	2021
	£'000	£'000
Interest receivable:		
- Bank interest	23	-
<b>Interest income</b>	<b>23</b>	<b>-</b>
Interest payable:		
- Interest on invoice discounting facility	(1)	-
- Interest on lease liabilities	(12)	(38)
<b>Interest expense</b>	<b>(13)</b>	<b>(38)</b>
<b>Net finance income/(expense)</b>	<b>10</b>	<b>(38)</b>

For agreements where the company is the lessee, interest expense on lease liabilities is included in finance costs. The interest expense is calculated by compounding the current lease liability with the implicit inherent rate of each portfolio of leases. The interest rate was 5% (2021 - 5%) in the year.

##### 7. Directors' emoluments and employees

The directors were paid through fellow group companies for their services to the entire group with no amounts recharged to this company throughout both years. It is not practicable to allocate their remuneration to individual companies in the group and allocation for services to this company is considered to be £nil (2021 - £nil).

**Maxxima Limited****Notes to the financial statements (continued)****For the year ended 31 December 2022****8. Tax on loss**

Tax credited to profit and loss comprises:

		<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
<b>Deferred tax</b>			
Deferred credit for the year		(8)	(21)
Effect of change in tax rate		(9)	-
<b>Deferred tax credit</b>	<b>11</b>	<b>(17)</b>	<b>(21)</b>
<b>Tax credit</b>		<b>(17)</b>	<b>(21)</b>

The tax on the company's (loss)/profit before tax differs from the theoretical amount that would arise using the standard tax rate of 19.00% (2021 - 19.00%) applicable to profits of the company.

The credit for the year can be reconciled to the profit in the profit and loss account as follows:

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>(Loss)/profit before taxation</b>	<b>(1,669)</b>	<b>1,107</b>
At standard UK corporation tax rate of 19.00% (2021 - 19.00%)	(317)	210
Group relief	296	(247)
Expenses not deductible	13	16
Effect of change in tax rate	(9)	-
<b>Tax credit</b>	<b>(17)</b>	<b>(21)</b>

**9. Intangible asset**

	<b>Note</b>	<b>Computer software</b>
		<b>£'000</b>
<b>Cost</b>		
As at 1 January 2022		169
Additions		118
<b>As at 31 December 2022</b>		<b>287</b>
<b>Accumulated amortisation</b>		
As at 1 January 2022		101
Amortisation	5	35
<b>As at 31 December 2022</b>		<b>135</b>
<b>Net book value</b>		
As at 31 December 2021		68
<b>As at 31 December 2022</b>		<b>151</b>

# Maxxima Limited

## Notes to the financial statements (continued)

### For the year ended 31 December 2022

#### 10. Tangible fixed assets

		Leasehold improvements	Furniture and equipment	Right-of-use assets Note 16	Total
	Note	£'000	£'000	£'000	£'000
<b>Cost</b>					
As at 1 January 2022		335	503	1,225	2,062
Additions		-	2	-	2
Disposals		(332)	(205)	-	(537)
<b>As at 31 December 2022</b>		<b>3</b>	<b>300</b>	<b>1,225</b>	<b>1,527</b>
<b>Accumulated depreciation</b>					
As at 1 January 2022		168	476	1,108	1,753
Depreciation	5	167	5	115	287
On disposals		(332)	(205)	-	(537)
<b>As at 31 December 2022</b>		<b>3</b>	<b>276</b>	<b>1,223</b>	<b>1,502</b>
<b>Net book value</b>					
As at 31 December 2021		167	27	117	310
<b>As at 31 December 2022</b>		<b>-</b>	<b>23</b>	<b>2</b>	<b>25</b>

#### 11. Deferred tax

Deferred tax is provided as follows:

	Note	£'000
Balance at 1 January 2021		9
Deferred tax credit	8	21
<b>Balance at 31 December 2021</b>		<b>30</b>
Deferred tax credit	8	17
<b>At 31 December 2022</b>		<b>47</b>

Changes to the UK corporate tax rates were enacted as part of Finance Act 2021 on 10 June 2021. This included an increase in the tax rate to 25% from 1 April 2023. The UK deferred tax balances have been revalued to these higher rates in the financial statements on the basis of when timing differences are expected to reverse.

#### 12. Debtors: amounts falling due within one year

	2022	2021
	£'000	£'000
Trade debtors - net	3,087	3,731
Amounts owed by immediate parent entity	-	250
Amounts owed by other group entities	5,600	4,324
Prepayments and accrued income	1,233	2,074
Other debtors	4	52
	<b>9,924</b>	<b>10,431</b>

The amounts owed by other group entities and immediate parent entity are repayable on demand and are not subject to interest in either year.

The transactions entered between Maxxima Limited and fellow group entities are between subsidiaries which are wholly owned by the same entity.

## Maxxima Limited

### Notes to the financial statements (continued)

#### For the year ended 31 December 2022

##### 12. Debtors: amounts falling due within one year (continued)

Debtors disclosed above include amounts which are past due at the reporting date but against which the company has not recognised an allowance for doubtful receivables because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Movement in allowance for doubtful debtors:

	2022 £'000	2021 £'000
Brought forward provision	6	2
Provision accrual	9	4
Balance at the end of the year	15	6

These balances are held against debtors.

##### 13. Creditors: amounts falling due within one year

	Note	2022 £'000	2021 £'000
Trade creditors		1,829	1,251
Accruals and deferred income		563	1,363
Amounts owed to immediate parent entity		707	-
Amounts owed to other group entities		7,297	3,623
Social security and other taxes		695	720
Lease liabilities	16	2	132
		11,093	7,089

The amounts owed to other group entities and immediate parent entity are repayable on demand and are not subject to interest charge in either year.

The transactions entered between Maxxima Limited and fellow group entities are between subsidiaries which are wholly owned by the same entity.

##### 14. Provision for liabilities

	Dilapidations £'000
As at 1 January 2021	57
Amounts charged	105
As at 31 December 2021	162
Amounts released	(92)
Amounts utilised	(70)
As at 31 December 2022	-

Provision has been made based upon the directors' best estimate of the costs which will be incurred in bringing company properties held under operating leases into an acceptable state as required at the end of the leases.

##### 15. Other non-current liabilities

	Note	2022 £'000	2021 £'000
Lease liabilities	16	-	2
		-	2

# Maxxima Limited

## Notes to the financial statements (continued)

### For the year ended 31 December 2022

#### 16. Leases

The balance sheet and the income statement show the following amounts in respect of leases during the year ended 31 December 2022.

##### Right-of-use assets

	Property £'000	IT equipment £'000	Other equipment £'000	Total £'000
<b>Cost</b>				
As at 1 January 2022	1,207	7	11	1,225
<b>As at 31 December 2022</b>	<b>1,207</b>	<b>7</b>	<b>11</b>	<b>1,225</b>
<b>Accumulated depreciation</b>				
As at 1 January 2022	1,096	7	5	1,108
Charge for the year	111	-	4	115
<b>As at 31 December 2022</b>	<b>1,207</b>	<b>7</b>	<b>9</b>	<b>1,223</b>
<b>Net book value</b>				
As at 31 December 2021	111	-	6	117
<b>As at 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>

The depreciation expense of right-of-use assets of £115,000 (2021 - £272,000) has been charged in administrative expenses.

##### Lease liabilities

	Property £'000	IT equipment £'000	Other equipment £'000	Total £'000
As at 1 January 2022	128	-	6	134
Interest expense on lease liabilities	12	-	-	12
Lease payments	(140)	-	(4)	(144)
<b>At 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>

##### Profit and loss

	2022 £'000	2021 £'000
Interest expense	12	38

##### Maturity analysis of lease liability

	Property £'000	IT equipment £'000	Other equipment £'000	Total £'000
Current	-	-	2	2
<b>At 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>

The total cash outflow in the year paid in respect of leases was £144,000 (2021 - £339,000).

## Maxxima Limited

### Notes to the financial statements (continued)

#### For the year ended 31 December 2022

##### 17. Share capital

	2022	2021
	£	£
<b>Authorised, allotted, called up and fully paid</b>		
200 Ordinary Shares of £1 each	200	200

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and repayment of capital.

##### 18. Guarantees

The company and group of which it is a part of has provided to Kroll Agency and Trustee Services Limited as Agent an “all assets debenture”, which includes cross guarantees and provides a fixed and floating charge over the assets of the company. The total loan covered by this guarantee is £375,000,000 and \$140,000,000 (2021 - £375,000,000 and \$140,000,000).

##### 19. Related party transactions

The company has taken advantage of the exemption in IAS 24 “related parties” for UK companies applying FRS 101 ‘Reduced Disclosure Framework’ not to disclose transactions with other group companies.

##### 20. Ultimate parent company and controlling party

The immediate parent company is ICSG Limited, a company registered in England and Wales. The controlling party is Acacium Group Holdings Limited, registered at 22 Grenville Street, St Helier, Jersey. Acacium Group Holdings Limited is controlled through an investment fund structure by Onex Corporation, a Canadian headquartered investment firm, which is the group’s ultimate parent undertaking. The smallest and the largest group in which the company’s results are consolidated is Acacium Group Limited, with the registered address of 9 Appold Street, London, United Kingdom, EC2A 2AP. Its consolidated IFRS financial statements are available to the public from Companies House.