

Registration number: 04444302

Global Medics Limited

Annual Report

for the 52 weeks ended 30 December 2022.

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Global Medics Limited

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Global Medics Limited

Company Information

Directors	M S Mehta
	R J Watson
	I J Munro
	T N Ramus
	J B Webb
Registered office	33 Soho Square London W1D 3QU
Auditors	BDO LLP 3 Hardman Street Manchester M3 3AT

Global Medics Limited

Strategic Report for the 52 weeks ended 30 December 2022

The directors present their strategic report for the 52 weeks ended 30 December 2022.

Fair review of the business

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

	52 weeks 30 December 2022 £000s	52 weeks 31 December 2021 £000s	Change %
Turnover	8,930	7,629	17.1
Gross Profit	1,582	1,317	20.1
Administrative expenses	(1,437)	(1,676)	(14.3)
Operating profit/(loss)	145	(359)	(140.4)
Gross profit percentage (%)	17.7	17.3	
Conversion rate (%) (Operating profit to Gross profit)	9.2	(27.3)	

The company places doctors in locum and permanent jobs across a wide range of healthcare trusts.

Having been placed on the Crown Commercial Service (CCS), HTE and CPP frameworks, the company recruits for locum, contract and permanent positions across the primary, acute care and mental health sectors. Our local knowledge, coupled with our ability to work in partnership with clients and candidates alike, enables us to match the best medical practitioners to the most suitable vacancies.

The company reported revenues of £8.9m, an increase of 17.1% compared to the previous period which also led to an increase in gross profit of 20.1%. The trade acquired in 2021 focused on roles that operate at a higher profit margin with the gross profit percentage up 0.4ppts on last year.

Cost saving initiatives that started in 2021 were annualised in 2022 with administrative expenses down 14.3% at £1.4m, resulting in an operating profit improving by £0.504m to £0.145m which compares to an operating loss of £0.36m in 2021.

There has been a good start to 2023 with performance tracking broadly in line with the prior year, combined with benefit of the strategic changes to our operating model to serve our customers and the various cost management and strategic transformation actions we have taken in the previous few years as noted above.

On 3 March 2023, the company, together with Impellams' other Healthcare Staffing businesses in the UK, Ireland and APAC (Medacs Global Group) and its Regional Specialist Staffing businesses in the UK was bought by Twenty20 Capital. Twenty20 Capital are Europe's largest specialist investor focussed on the human capital services sector. This move will allow the company to continue to grow its size and scale and innovate its services, as well as reinforcing its valuable ongoing relationships with its clients.

Global Medics Limited

Strategic Report for the 52 weeks ended 30 December 2022 (continued)

Principal risks and uncertainties

Attracting and retaining talent

Any constraints on the Company's ability to attract and retain key talent in an increasingly competitive market could result in loss or weakening of client relationships, lack of appropriate leadership and/or erosion of the Company's talent base, impacting achievement of both financial and other objectives.

The Company's high-retention business model ensures that brands and central functions are focused on talent management and development, performance review and leadership development. RSS Global values the importance of continuous development as a basis of enhancing performance through personal and professional growth. Our culture empowers all our people with a continuous development approach, encouraged through curiosity.

Customer concentration

Reliance on the supply into a single market segment means that any decline or a significant reduction in business volume on a key account could result in reduced revenue and/or increased pressure on gross profit. This exposure is known to have impacted on some of the Company's competitors.

Management discuss and review market conditions and sales and account management pipelines on an ongoing basis. Management also hold regular meetings with key customers to discuss sales pipelines, current service performance and opportunities to add new services lines or extend existing services.

Technology Systems

The Company is reliant on many different technology systems that may have limited useful life in a fast-changing business environment. The legacy nature of some systems may hinder optimisation of end-to-end business processes. Systems may also be vulnerable to factors beyond the Company's control e.g. power failures or internet connectivity outages. The Company has a stable systems infrastructure and an ongoing IT investment programme.

Cyber and Information security

The risk of external cyber attacks continues to increase. A successful attack could result in loss of sensitive data, business disruption and/or damage to the Company's reputation. A programme to enhance security of the Company's systems against cyber attack has been implemented and the business achieved Cyber Essentials Plus certification in 2022.

Regulatory environment

Regulatory changes can lead to increased costs and workload, particularly where they relate to candidates' rights, eligibility to work or corporate reporting e.g. payment practices, diversity.

Appropriate policies and codes of conduct are in place across the Company and regular training is provided to employees. External professional advice is sought where insufficient knowledge exists within the Company.

Approved by the Board on 21 December 2023 and signed on its behalf by:



M S Mehta
Director

Global Medics Limited

Directors' Report for the 52 weeks ended 30 December 2022

The directors present their report and the financial statements for the 52 weeks ended 30 December 2022.

Directors' of the Company

The directors, who held office during the period, were as follows:

T Briant (resigned 3 March 2023)

J Robertson (resigned 3 March 2023)

R J Watson

The following directors were appointed after the period end:

M S Mehta (appointed 3 March 2023)

I J Munro (appointed 3 March 2023)

T N Ramus (appointed 3 March 2023)

J B Webb (appointed 3 March 2023)

Principal activity

The principal activity of the company is the provision of recruitment services.

Dividends

No dividend is paid or recommended in respect of either the current or prior period.

Financial instruments

Objectives and policies

On 3 March 2023, following the acquisition by Twenty20 Capital, The company, together with other companies in the newly created Regional Specialist Staffing Group (RSS Global), entered an Invoice Discount agreement with Close Brothers. The principal financial instruments of the RSS Global of which the company is a member comprise an Invoice Discount Credit Facility, hire purchase contracts, cash and short-term deposits.

The main purpose of these financial instruments is to raise finance for the company's operations. The company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

It is, and has been throughout the period under review, the company's policy that no trading in financial instruments such as derivatives shall be undertaken. The company's policy with regard to interest rate and foreign exchange contract is to only hedge specific risks with a determinable date that arise from operations or financing.

The main risks arising from the company's financial instruments are interest rate risk and foreign currency risk. The board reviews and agrees policies for managing each of these risks as summarised below:

Liquidity risk

The Group has a central Treasury function in place with regular forecasting, reporting and review procedures whereby we control cash on a daily, weekly, and monthly basis and we ensure that there is sufficient cash to meet the immediate, short and medium-term operating needs of the business.

Political donations

The company made no political donations during either the current or prior periods.

Environmental matters

Although we are a service-based organisation with no manufacturing facilities and limited transportation requirements, we are still committed to following environmental best practices in the day-to-day conduct of our business. This includes the use of sustainable and/or recyclable materials when available. A regular review of the potential impacts on the various businesses is undertaken and parts of the Company have achieved accreditation to ISO 14001 in relation to their environment management systems.

Global Medics Limited

Directors' Report for the 52 weeks ended 30 December 2022 (continued)

Going concern

As noted in note 22, the company along with its parent RSS Global Limited (RSS) was acquired by Twenty20 Capital Investments Limited (Twenty20) in March 2023.

The Directors have adopted the going concern basis in preparing these financial statements after assessing the company's and the RSS Global Limited (RSS) group's principal risks, including an assessment of the outlook for the economic environment and the recruitment sector in the UK and Ireland, and the funding available to the company. RSS is funded by a mix of loan notes and an invoice discounting facility. RSS also is subject to cross guarantee arrangements with its subsidiaries under the invoice discounting facility and therefore is obligated to fund the company under that facility where such funding is required.

The loan notes are held by the company's parent undertaking, Twenty20. Twenty20 and its shareholder entities have also issued a letter of support to RSS and guaranteed to make a further loan facility of up to £10m available until 31 December 2024.

The invoice discounting facility has a term of 30 months from 3 March 2023 and provides funding linked to a set percentage of UK trade receivables of the RSS Global Limited group, up to a maximum of £70m. The facility has certain financial covenant related to EBITDA, interest cover and minimum facility headroom.

The Directors have carried out a comprehensive assessment of the Group's ability to continue as a going concern. This assessment has involved the review of medium-term cash flow and covenant modelling over a 12-month period to 31 December 2024. This includes expectations on the future economic environment as well as other principal risks associated with the company's ongoing operations. The assessment includes a base case scenario setting out the Directors' current expectations of future trading and plausible downside scenario to assess the potential impact on the company's future financial performance. The key judgement in both scenarios is the level of economic disruption caused by the ongoing high inflation and high interest rate environment. The downside scenario includes weaker macroeconomic conditions leading to a volume decline of 10% in FY24. In the base case and plausible mitigated downside scenarios the Group has sufficient liquidity and covenant headroom in its existing facilities and no covenants are breached at any of the forecast testing dates.

From recent experience gained from managing adverse trading conditions through Covid and across other Group companies, the Directors are confident that if there were an economic downturn, the company would be able to take the appropriate mitigating actions to continue to trade for the foreseeable future. If an economic downturn occurs, cost saving measures will be implemented over and above what we have planned and there are sufficient cash resources or access to funding via the Twenty20 Loan Note facility detailed above, to support any short to medium-term impact.

Having considered all the elements of the financial projections, sensitivities and mitigating actions, the Directors confirm they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and to meet all banking covenants.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Global Medics Limited

Directors' Report for the 52 weeks ended 30 December 2022 (continued)

Employee involvement

The company recognises that it is essential to maintain a highly skilled workforce. To this end the policy of training and development is incorporated in the company plan. It is the policy to promote from within the organisation wherever the possibility exists.

Health and safety measures are given particular attention by the directors and a written policy exists and is known throughout the company.

The company recognises the need for employees to be informed of the company's activities and performance. A corporate intranet for all employees provides a wide range of information and provides an increasingly important communication tool for policies and procedures as well as the sharing of information, document storage and specific news. Meetings are held between management and employees to allow sharing of information and consultation. Employees participate directly in the performance of the business through the Company's bonus arrangements.

Social and community issues

As part of the Company's mission to find people fulfilling work, we strongly oppose modern slavery in all its forms and will try to prevent it by any means that we can. We expect anyone who has any suspicions of modern slavery in our business or our supply chain to raise their concerns without delay. In light of the Modern Slavery Act 2015 we annually review internal and external measures to ensure we are doing what we can to prevent slavery and human trafficking in our businesses and in our supply chains.

We have a commitment to carrying out business fairly, honestly and openly. We also have zero tolerance towards bribery. Our Bribery Policy is in place to provide relevant guidance and information to all our people in compliance with the law relating to bribery and corruption, in particular the Bribery Act 2010 ('the Act'). We are determined to maintain our reputation as a business that will not tolerate fraudulent or corrupt dealings – whether they are attempted against us from outside, from within our own workforce, or towards our clients or suppliers.

Directors' liabilities

During the period and to the date of these financial statements, the company had in force an indemnity provision in favour of one or more Directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006.

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 auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditors

In accordance with Section 489 of the Companies Act 2006, a resolution for the reappointment of BDO LLP as auditor of the Company is expected to be proposed at the Annual General Meeting.

Approved by the Board on 21 December 2023 and signed on its behalf by:



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M S Mehta
Director

Global Medics Limited

Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 FRS 101 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.

Global Medics Limited

Independent Auditor's Report to the Members of Global Medics Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 December 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Global Medics Limited (the 'Company') for the 52 weeks ended 30 December 2022, which comprise the Profit and Loss Account, Statement of Comprehensive Income, 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 101 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 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.

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.

Global Medics Limited

Independent Auditor's Report to the Members of Global Medics Limited (continued)

Other Companies Act 2006 reporting

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 period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, 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 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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations.

Global Medics Limited

Independent Auditor's Report to the Members of Global Medics Limited (continued)

We considered the significant laws and regulations to be the applicable accounting framework and UK tax legislation.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be employee pay legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - o Detecting and responding to the risks of fraud; and
 - o Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the area's most susceptible to fraud to be management override of control and cut-off of revenue.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Procedures to test revenue including agreement of revenue recognised to supporting documentation, including cut-off testing for both pre year end and post year end.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

Global Medics Limited

Independent Auditor's Report to the Members of Global Medics Limited (continued)

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 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:

Steven Roberts

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Steven Roberts (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor

Manchester, UK

Date: 21 December 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Global Medics Limited

Profit and Loss Account for the 52 weeks ended 30 December 2022

		52 weeks 30 December 2022 £ 000	52 weeks 31 December 2021 £ 000
Turnover	4	8,930	7,629
Cost of sales		<u>(7,348)</u>	<u>(6,312)</u>
Gross profit		1,582	1,317
Administrative expenses		<u>(1,437)</u>	<u>(1,676)</u>
Operating profit/(loss)	5	145	(359)
Interest payable and similar expenses	6	<u>(10)</u>	<u>(3)</u>
Profit/(loss) before tax		135	(362)
Tax on profit/(loss)	10	<u>18</u>	<u>(9)</u>
Profit/(loss) for the period		<u>153</u>	<u>(371)</u>

The above results were derived from continuing operations.

Global Medics Limited

Statement of Comprehensive Income for the 52 weeks ended 30 December 2022


	52 weeks 30 December 2022 £ 000	52 weeks 31 December 2021 £ 000
Profit/(loss) for the period	153	(371)
Total comprehensive profit/(loss) for the period	153	(371)

Global Medics Limited

(Registration number: 04444302)
Balance Sheet as at 30 December 2022

	Note	30 December 2022 £ 000	31 December 2021 £ 000
Fixed assets			
Intangible assets	11	1	3
Tangible assets	12	1	-
Right of use assets	13	-	11
		<u>2</u>	<u>14</u>
Current assets			
Debtors	15	5,915	5,473
Cash at bank and in hand	16	963	1,133
Tax asset	10	4	7
		<u>6,882</u>	<u>6,613</u>
Creditors: Amounts falling due within one year	17	<u>(9,643)</u>	<u>(9,539)</u>
Net current liabilities		<u>(2,761)</u>	<u>(2,926)</u>
Net liabilities		<u>(2,759)</u>	<u>(2,912)</u>
Capital and reserves			
Called up share capital	20	-	-
Profit and loss account		<u>(2,759)</u>	<u>(2,912)</u>
Shareholders' deficit		<u>(2,759)</u>	<u>(2,912)</u>

These financial statements were approved by the Board on 21 December 2023 and signed on its behalf by:



M S Mehta
Director

Global Medics Limited

Statement of Changes in Equity for the 52 weeks ended 30 December 2022

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 2 January 2021	-	(2,541)	(2,541)
Loss for the period	-	(371)	(371)
Total comprehensive loss	-	(371)	(371)
At 31 December 2021	-	(2,912)	(2,912)

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2022	-	(2,912)	(2,912)
Profit for the period	-	153	153
Total comprehensive income	-	153	153
At 30 December 2022	-	(2,759)	(2,759)

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022

1 General information

The company is a private company limited by share capital, incorporated and domiciled in United Kingdom.

The address of its registered office is:

33 Soho Square

London

W1D 3QU

These financial statements were authorised for issue by the Board on 21 December 2023.

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.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK adopted international accounting standards.

Summary of disclosure exemptions

In these financial statements, the Company has taken advantage of the exemptions available under FRS 101 in respect of the following disclosures:

- IFRS 7 - 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13 - 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 - 'Revenue from Contracts with Customers' (disaggregation of revenue, significant changes in contract assets and liabilities, details on transaction price allocation, timing of the satisfaction of performance obligations and significant judgements made in the application of IFRS 15).
- The requirements of paragraph 52 [lessee], the second sentence of paragraph 89, and paragraphs 90, 91 and 93 [lessor] of IFRS 16 - 'Leases' (lessee disclosures and lessor disclosures in relation to finance leases and lease income on operating leases).
- Paragraph 38 of IAS 1 - 'Presentation of financial statements' (comparative information requirements in respect of):
 - paragraph 79(a)(iv) of IAS 1
(reconciliation of number of shares at the beginning and end of the period)
 - paragraph 73(e) of IAS 16, 'Property, plant and equipment'
(reconciliations between the carrying amount at the beginning and end of the period)
 - paragraph 118(e) of IAS 38, 'Intangible assets'
(reconciliations between the carrying amount at the beginning and end of the period)

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

2 Accounting policies (continued)

- The following paragraphs of IAS 1 - 'Presentation of financial statements' (removing the requirement to present):
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38B-D (additional comparative information);
 - 111 (cash flow statement information);
 - 134-136 (capital management disclosures).
- IAS 7 - 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24 - 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' (to disclose related party transactions entered into between two or more members of a group).

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 January 2022 have had a material effect on the financial statements.

Exemption from preparing group accounts

The financial statements contain information about Global Medics Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, Impellam Group Plc, a company incorporated in United Kingdom.

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

2 Accounting policies (continued)

Going concern

The directors have set out their business review for the company in the Strategic Report on page 2.

As noted in note 22, the company along with its parent RSS Global Limited (RSS) was acquired by Twenty20 Capital Investments Limited (Twenty20) in March 2023.

The Directors have adopted the going concern basis in preparing these financial statements after assessing the company's and the RSS Global Limited (RSS) group's principal risks, including an assessment of the outlook for the economic environment and the recruitment sector in the UK and Ireland, and the funding available to the company. RSS is funded by a mix of loan notes and an invoice discounting facility. RSS also is subject to cross guarantee arrangements with its subsidiaries under the invoice discounting facility and therefore is obligated to fund the company under that facility where such funding is required.

The loan notes are held by the company's parent undertaking, Twenty20. Twenty20 and its shareholder entities have also issued a letter of support to RSS and guaranteed to make a further loan facility of up to £10m available until 31 December 2024.

The invoice discounting facility has a term of 30 months from 3 March 2023 and provides funding linked to a set percentage of UK trade receivables of the RSS Global Limited group, up to a maximum of £70m. The facility has certain financial covenant related to EBITDA, interest cover and minimum facility headroom.

The Directors have carried out a comprehensive assessment of the Group's ability to continue as a going concern. This assessment has involved the review of medium-term cash flow and covenant modelling over a 12-month period to 31 December 2024. This includes expectations on the future economic environment as well as other principal risks associated with the company's ongoing operations. The assessment includes a base case scenario setting out the Directors' current expectations of future trading and plausible downside scenario to assess the potential impact on the company's future financial performance. The key judgement in both scenarios is the level of economic disruption caused by the ongoing high inflation and high interest rate environment. The downside scenario includes weaker macroeconomic conditions leading to a volume decline of 10% in FY24. In the base case and plausible mitigated downside scenarios the Group has sufficient liquidity and covenant headroom in its existing facilities and no covenants are breached at any of the forecast testing dates.

From recent experience gained from managing adverse trading conditions through Covid and across other Group companies, the Directors are confident that if there were an economic downturn, the company would be able to take the appropriate mitigating actions to continue to trade for the foreseeable future. If an economic downturn occurs, cost saving measures will be implemented over and above what we have planned and there are sufficient cash resources or access to funding via the Twenty20 Loan Note facility detailed above, to support any short to medium-term impact.

Having considered all the elements of the financial projections, sensitivities and mitigating actions, the Directors confirm they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and to meet all banking covenants.

Revenue recognition

Recognition

The Company earns revenue from the provision of services relating to provision of staff. This revenue is recognised in the accounting period when the services are rendered at an amount that reflects the consideration to which the entity expects to be entitled in exchange for fulfilling its performance obligations to customers.

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

2 Accounting policies (continued)

The principles in IFRS are applied to revenue recognition criteria using the following 5 step model:

1. Identify the contracts with the customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract.
5. Recognise revenue when or as the entity satisfies its performance obligations.

Fee arrangements

Below are details of fee arrangements and how these are measured and recognised, for revenue from the provision of services:

- Revenue derived from temporary staffing services is recognised and accrued by reference to hours worked (representing the service provided) in accordance with submitted authorised timesheets and pre-agreed charge rates (which include an element of salary and related costs) which are together used to determine the transaction price. This applies both when there is a direct supply as well as when there is supply of a Managed Service to the client, as the timing of performance obligations and the raising of invoices can vary. Timesheets are submitted mainly on a weekly basis, with a limited number being submitted either daily or monthly so any variable aspect of contract assets is limited due to the financial period finishing at the end of a week.

Principal versus agent

The Company assesses whether it is acting as agent or principal depending on whether the client has a direct relationship with the Company, whether the Company has the primary responsibility for providing the services and whether the Company has control of or holds the inventory risk over the worker placed.

Where the Company acts as a principal in the supply, revenue is recognised as the gross amount due, net of value-added tax, rebates and discounts and after eliminating sales made within the Company. Where the Company provides a service in which it acts as agent for the client, the amount of revenue recognised is limited to the management fee receivable for that service after making provision for any losses foreseen, volume rebates and any other amounts payable rather than the full amount invoiced. Trade receivables and payables related to these sales are recorded at full invoice value. The Company conducts business purely on a principal basis.

Contract assets and receivables

Where services are transferred to the customer before the customer pays consideration, or before payment is due, contract assets are recognised. Contract assets are included in the statement of financial position and represent the right to consideration for products delivered.

Contract receivables (loans and advances) are recognised in the statement of financial position when the company's right to consideration becomes unconditional.

Contract assets & receivables (loans and advances) are classified as current or non-current based on the company's normal operating cycle and are assessed for impairment at each reporting date.

Contract liabilities

Contract liabilities and customer deposits are recognised in the statement of financial position when the company has received consideration but still has an obligation to deliver services and meet performance obligations for that consideration.

Net basis of measurement of contract balances

Contract asset and contract liability positions are determined for each contract on a net basis. This is because the rights and obligations within each contract are considered inter-dependent. Where two contracts are with the same or related entities, an assessment is made of whether contract assets and liabilities are inter-dependent and if so, contract balances are reported net.

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

2 Accounting policies (continued)

Impairment of contract related balances

At each reporting date, the company determines whether or not such assets are impaired by comparing the carrying amount of the asset to the remaining amount of consideration that the company expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the company uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant contracts or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific KPIs that could trigger variable consideration, or service credits. Where a contract is anticipated to make a loss, these judgements are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Finance income and costs policy

Interest payable and similar charges include interest payable in profit or loss using the effective interest method. Other interest receivable and similar income include interest receivable on funds invested. Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Foreign currency transactions and balances

Profit and loss transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

Tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Tangible assets

Tangible assets is stated in the balance sheet 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.

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

2 Accounting policies (continued)

Depreciation

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

Asset class	Depreciation method and rate
Leasehold land and buildings	Over the term of the lease
Furniture, fittings and office equipment	25% reducing balance method

Intangible assets

Intangible assets represent the carrying value of computer software and licences. Carrying value is equal to cost less accumulated amortisation and impairment or, in the case of assets acquired through business combinations, fair value at date of acquisition less accumulated amortisation and impairment.

Computer software and licences are defined as having finite useful lives and the costs are amortised on a straight-line basis over the estimated useful lives of each of the assets, considered to be between three to five years. The expense is taken to the income statement through the "depreciation and amortisation" line within administrative expenses.

All costs relating to the "research" phase of the software development cycle together with costs not separately identifiable and attributable to particular program development are expensed directly to the income statement in the period in which it is incurred.

All intangible assets are also reviewed for impairment whenever there is an indication that the carrying amount may be impaired. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Investments

Fixed asset investments are stated at cost less a provision for impairment. The carrying values of investments are reviewed for impairment at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating unit to which the assets are allocated. Estimating the value in use requires the company to make an estimate of the future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Trade receivables

Trade receivables, which have various terms, are non-interest-bearing and are recognised and carried at fair value and subsequently measured at amortised cost, being the original invoice amount less an allowance for uncollectible amounts, credit notes and expected credit losses.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and ageing. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts.

The expected loss provision is based on the Company's expectation of future credit losses over the current receivables balance. These expectations are based upon known issues affecting specific debtors as well as general forward-looking information on factors affecting the Company's customers as a whole as well as an awareness of the economic conditions in the countries where the Company operates. These risk factors are considered both on initial recognition of the receivable and as part of the ongoing assessment. If there has been a significant increase in the credit risk since the initial recognition then an increased loss provision is recognised.

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

2 Accounting policies (continued)

Amounts owed by related parties

Amounts owed by related parties are assessed for impairment based upon the current financial position and expected future performance of the party to which they relate. Amounts due from related parties are interest free demand loans.

The Company applies the IFRS 9 general approach to measuring expected credit losses. This approach requires an assessment at the initiation of the loan as to the risk of default, and a further assessment when the credit risk profile of the loans change. IFRS 9 applies a 3 stage model that is applied when calculating the expected credit losses:

- Stage 1 is defined as having no Significant Increase In Credit Risk ('SICR') – a 12 month expected credit loss is recognised at this point.
- Stage 2 is defined as having a SICR – a lifetime expected credit loss is recognised at this point.
- Stage 3 is defined as being credit impaired – a lifetime expected credit loss is recognised at this point.

There is no impact to any interest due to the Group company loans being interest free.

The Company defines the following:

Definition of a default – A loan is considered to be in default when there is evidence that the borrower is in significant financial difficulty such that it will have insufficient assets to repay the loan on demand.

SICR assessment – The risk that the borrower will default on a demand loan depends on whether the party has sufficient cash or other assets to repay the loan immediately (meaning that the risk of default is very low and the loan is in Stage 1); or does not have sufficient cash or other assets to repay the loan immediately (meaning that the risk of default is higher, and the loan could be in Stage 2 or Stage 3).

Credit impaired indicators - A loan is considered to be credit impaired if it meets the definition of a defaulted loan.

The Company performs this assessment qualitatively by reference to the borrower's immediate cash flow and asset position.

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 changes in value.

Trade payables

Trade payables 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 payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Definition

All leases are accounted for by recognising a right-of-use asset and a lease liability except for leases of low-value assets and leases with an expected full term of 12 months or less.

Lease liabilities are measured at the present value of the unpaid contractual payments over the expected lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used.

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

2 Accounting policies (continued)

Initial recognition and measurement

On initial recognition, the carrying value of the lease liability also includes amounts expected to be payable under any residual value guarantee; the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to exercise that option; and any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of the termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for lease payments made at or before commencement of the lease and initial direct costs incurred.

Subsequent measurement

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

Lease modifications

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at a revised discount rate that is implicit in the lease for the remainder of the lease term. The carrying value of lease liabilities is similarly revised if any variable element of future lease payments dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining lease term.

When the Company renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification. If the renegotiation results in one or more additional assets being leased for an amount similar to the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy. In all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount. If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure the carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

Right-of-use assets are reviewed regularly to ensure that the useful economic life of the asset is still appropriate based on the usage of the asset. Where the asset has reduced in value the Company considers the situation on an asset-by-asset basis and either treats the reduction as an acceleration of depreciation or as an impairment under IAS 36 Impairment of Assets. An acceleration of depreciation occurs in those cases where there is no opportunity or intention to utilise the asset before the end of the lease. An impairment is recognised in those few cases where the current value-in-use of the asset is significantly less than the carrying amount and there is no intention or opportunity known of that mitigates this impairment.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease.

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

2 Accounting policies (continued)

Short term and low value leases

The company has made an accounting policy election, by class of underlying asset, not to recognise lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).

The company has made an accounting policy election on a lease-by-lease basis, not to recognise lease assets on leases for which the underlying asset is of low value.

Lease payments on short term and low value leases are accounted for on a straight line bases over the term of the lease or other systematic basis if considered more appropriate. Short term and low value lease payments are included in operating expenses in the income statements.

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

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Financial instruments

Initial recognition

Financial assets and financial liabilities comprise all assets and liabilities reflected in the balance sheet, although excluding tangible assets, intangible assets, deferred tax assets and prepayments.

Classification and measurement

Financial instruments are classified at inception into one of the following categories, which then determine the subsequent measurement methodology:

Financial assets are classified into one of the following three categories:-

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income (FVTOCI); or
- financial assets at fair value through the profit or loss (FVTPL).

Financial liabilities are classified into one of the following two categories:

- financial liabilities at amortised cost; or
- financial liabilities at fair value through the profit or loss (FVTPL).

The company's accounting policy for each category is as follows:

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

2 Accounting policies (continued)

Financial assets at amortised cost

These assets arise principally from the provision of services to customers (for example trade debtors), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade debtors are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade debtors is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade debtors. For trade debtors, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the statement of comprehensive income. On confirmation that the trade debtor will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised. From time to time, the company elects to renegotiate the terms of trade debtors due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the statement of comprehensive income (operating profit).

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company does not have any such assets nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Financial assets at fair value through the profit or loss (FVTPL)

The company does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Financial liabilities at amortised cost

The company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The company does not have any liabilities held for trading nor does it voluntarily classify any financial liabilities as being at fair value through profit or loss. The company's accounting policy for each category is as follows:

- Trade creditors and other short-term monetary liabilities, which are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method.

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

2 Accounting policies (continued)

Financial liabilities at fair value through the profit or loss

The company does not have any liabilities held for trading nor does it voluntarily classify any financial liabilities as being at fair value through profit or loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

3 Critical accounting judgements and key sources of estimation uncertainty

The directors do not consider any estimates of judgements made during the period to be critical.

4 Turnover

The analysis of the Company's turnover for the period by market is as follows:

	52 weeks 30 December 2022 £ 000	52 weeks 31 December 2021 £ 000
UK	8,930	7,629

5 Operating profit/(loss)

Arrived at after charging/(crediting)

	52 weeks 30 December 2022 £ 000	52 weeks 31 December 2021 £ 000
Amortisation on right of use assets	11	20
Amortisation expense	2	2
Foreign exchange (gains)/losses	(239)	369
Operating leases - short term vehicles	(13)	-

6 Interest payable and similar expenses

	52 weeks 30 December 2022 £ 000	52 weeks 31 December 2021 £ 000
Other finance costs	10	2
Interest expense on leases	-	1
	10	3

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

7 Staff costs

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

	52 weeks 30 December 2022 £ 000	52 weeks 31 December 2021 £ 000
Wages and salaries	610	629
Social security costs	80	90
Pension costs, defined contribution scheme	6	7
	<u>696</u>	<u>726</u>

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

	52 weeks 30 December 2022 No.	52 weeks 31 December 2021 No.
Administration and support	3	3
Other departments	9	11
	<u>12</u>	<u>14</u>

8 Directors' remuneration

The emoluments of the directors are paid by the year-end ultimate parent company, or by another group company. The emoluments attributable to services in relation to this company are £2,000 (31 December 2021: £2,000).

9 Auditors' remuneration

	52 weeks 30 December 2022 £ 000	52 weeks 31 December 2021 £ 000
Audit of the financial statements	<u>8</u>	<u>8</u>

The audit fee for the current and prior period has been borne by a fellow group company.

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

10 Income tax

Tax charged/(credited) in the profit and loss account

	52 weeks 30 December 2022 £ 000	52 weeks 31 December 2021 £ 000
Current taxation		
UK corporation tax	54	9
UK corporation tax adjustment to prior periods	(75)	(22)
	<u>(21)</u>	<u>(13)</u>
Deferred taxation		
Arising from origination and reversal of temporary differences	2	(2)
Arising from unrecognised temporary difference of prior periods	1	24
Total deferred taxation	<u>3</u>	<u>22</u>
Tax (receipt)/expense in the profit and loss account	<u>(18)</u>	<u>9</u>

The tax on profit/(loss) before tax for the period is lower than the standard rate of corporation tax in the UK (31 December 2021 - higher than the standard rate of corporation tax in the UK) of 19% (31 December 2021 - 19%).

The differences are reconciled below:

	52 weeks 30 December 2022 £ 000	52 weeks 31 December 2021 £ 000
Profit/(loss) before tax	<u>135</u>	<u>(362)</u>
Corporation tax at standard rate	26	(69)
Decrease in current tax from adjustment for prior periods	(75)	(22)
Increase from effect of expenses not deductible in determining taxable profit (tax loss)	29	80
Increase/(decrease) from transfer pricing adjustments	1	(2)
Deferred tax expense from unrecognised temporary difference from a prior period	1	24
Deferred tax credit relating to changes in tax rates or laws	-	(2)
Total tax (credit)/charge	<u>(18)</u>	<u>9</u>

UK legislation requires, in broad terms, that most transactions between connected parties be at an arm's length price for tax purposes (commonly known as 'transfer pricing'). As a result, this company must make an adjustment for deemed net interest on intercompany balances that has not been recognised in the financial statements.

On 3 March 2021 it was announced that the UK corporate tax rate would increase to 25% from 1 April 2023. This is likely to result in an increase in the Group's UK tax charge from that date. UK deferred tax balances that are forecast to unwind after 1 April 2023 have been re-measured and recognised at 25%.

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

10 Income tax (continued)

Deferred tax

Deferred tax assets and liabilities

	Asset £ 000	Liability £ 000	Net deferred tax £ 000
30 December 2022			
Accelerated tax depreciation	4	-	4
	<u>4</u>	<u>-</u>	<u>4</u>
31 December 2021			
Accelerated tax depreciation	6	-	6
Other items	1	-	1
	<u>7</u>	<u>-</u>	<u>7</u>

Deferred tax movement during the period:

	At 1 January 2022 £ 000	Recognised in income £ 000	At 30 December 2022 £ 000
Accelerated tax depreciation	6	(2)	4
Other items	1	(1)	-
	<u>7</u>	<u>(3)</u>	<u>4</u>

Deferred tax movement during the prior period:

	At 2 January 2021 £ 000	Recognised in income £ 000	At 31 December 2021 £ 000
Accelerated tax depreciation	8	(2)	6
Other items	21	(20)	1
	<u>29</u>	<u>(22)</u>	<u>7</u>

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

11 Intangible assets

	Software £ 000	Total £ 000
Cost or valuation		
At 1 January 2022	7	7
At 30 December 2022	7	7
Amortisation		
At 1 January 2022	4	4
Amortisation charge	2	2
At 30 December 2022	6	6
Carrying amount		
At 30 December 2022	1	1
At 31 December 2021	3	3

12 Tangible assets

	Leasehold improvements £ 000	Furniture, fittings and equipment £ 000	Total £ 000
Cost or valuation			
At 1 January 2022	125	22	147
Additions	-	1	1
At 30 December 2022	125	23	148
Depreciation			
At 1 January 2022	125	22	147
At 30 December 2022	125	22	147
Carrying amount			
At 30 December 2022	-	1	1
At 31 December 2021	-	-	-

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

13 Right of use assets

	Vehicles £ 000	Total £ 000
Cost or valuation		
At 1 January 2022	59	59
At 30 December 2022	59	59
Depreciation		
At 1 January 2022	48	48
Charge for the period	11	11
At 30 December 2022	59	59
Carrying amount		
At 30 December 2022	-	-
At 31 December 2021	11	11

14 Investments

Details of the subsidiaries as at 30 December 2022 are as follows:

Name of subsidiary	Principal activity	Registered office	Holding	Proportion of ownership interest and voting rights held	
				30 December 2022	31 December 2021
Doctors On Call Limited	Non-trading	33 Soho Square, London, W1D 3QU United Kingdom	Ordinary	100%	100%

The investment in Doctors On Call Limited is held at a carrying value of £1 (31 December 2021: £1).

15 Trade and other receivables

	30 December 2022 £ 000	31 December 2021 £ 000
Trade and other receivables falling due within one year		
Trade receivables	925	1,045
Receivables from related parties	4,728	4,031
Prepayments	262	394
Other receivables	-	3
	<u>5,915</u>	<u>5,473</u>

Trade receivables are stated after a provision of £1,000 (31 December 2021: £1,000). Receivables from related parties are interest free, unsecured and repayable on demand and are stated after a provision of £1,637,000 (31 December 2021: £1,637,000).

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

16 Cash at bank and in hand

	30 December 2022 £ 000	31 December 2021 £ 000
Cash at bank	963	1,133

17 Trade and other payables

	30 December 2022 £ 000	31 December 2021 £ 000
Trade payables	61	57
Accrued expenses	324	462
Amounts due to related parties	8,941	8,944
Social security and other taxes	316	61
Outstanding defined contribution pension costs	1	2
Current portion of long term lease liabilities	-	13
	9,643	9,539

Payables to related parties are interest free, unsecured and repayable on demand.

18 Leases

During the period the Company leased 3 vehicles under IFRS 16, all which have a fixed lease fee over the term (31 December 2021: 3). The weighted average Incremental Borrowing Rate used to calculate the lease liability was 4.23% (1 January 2021: 4.23%).

Leases included in creditors

	30 December 2022 £ 000	31 December 2021 £ 000
Current portion of long term lease liabilities	-	13

Lease liabilities maturity analysis

A maturity analysis of lease liabilities based on undiscounted gross cash flow is reported in the table below:

	30 December 2022 £ 000	31 December 2021 £ 000
Less than one year	-	13

Within the payments listed above is £nil which will be recognised as interest on the lease liability (31 December 2021: £nil).

Global Medics Limited

Notes to the Financial Statements for the 52 weeks ended 30 December 2022 (continued)

18 Leases (continued)

Total cash outflows related to leases

Total cash outflows related to leases are presented in the table below:

	30 December 2022 £ 000	31 December 2021 £ 000
Payment		
Right of use assets	13	20
Interest	-	1
Total cash outflow	13	21

19 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £6,000 (31 December 2021 - £7,000).

Contributions totalling £1,000 (31 December 2021 - £2,000) were payable to the scheme at the end of the period and are included in creditors.

20 Share capital

Allotted, called up and fully paid shares

	30 December 2022		31 December 2021	
	No.	£	No.	£
Ordinary shares of £1 each	1	1	1	1

21 Parent of group in whose consolidated financial statements the Company is consolidated

The name of the parent of the group in whose consolidated financial statements the company's financial statements are consolidated is Impellam Group Plc, which is also the smallest and largest undertaking for which Group accounts including the Company are prepared.

These financial statements are available upon request from The Registrar of Companies, Companies Registration Office, Crown Way, Maindy, Cardiff, CF14 3UZ.

At the end of the year, the company identified Lord Ashcroft as the ultimate controlling party as he had influence over more than 50%, but less than 75%, of both the shares and voting rights of Impellam Group Plc and together with being Chairman of Impellam Group Plc had significant influence over the company.

22 Non adjusting events after the financial period

On 3 March 2023, the company was bought by Twenty20 Capital Investments Limited Group. The ultimate parent parties of which are Twenty20 Capital Limited and IJMH Limited.

23 Contingent liabilities

On 3 March 2023 the company, together with other companies in the RSS Group, entered an Invoice Discount agreement with Close Brothers. The company has given cross guarantees as part of the Group's Invoice Discount facility. The aggregate amount outstanding against this facility is £42,554,000.