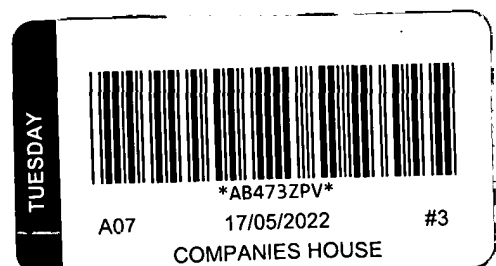


Registered number: 05011159

SERVOCA RESOURCING SOLUTIONS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021



SERVOCA RESOURCING SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	A Church C Hinton J Wood
Company secretary	S Moore
Registered number	05011159
Registered office	Kingston House Towers Business Park Wilmslow Road Manchester M20 2LD
Independent auditors	RSM UK Audit LLP 3 Hardman Street Manchester M3 3HF
Bankers	Royal Bank of Scotland Silbury House 300 Silbury Boulevard Milton Keynes MK9 2ZF

SERVOCA RESOURCING SOLUTIONS LIMITED

CONTENTS

	Page
Directors' Report	1 - 2
Directors' Responsibilities Statement	3
Independent Auditors' Report	4 - 7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 - 23

SERVOCA RESOURCING SOLUTIONS LIMITED

DIRECTORS' REPORT FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the 15 month period ended 31 December 2021.

Principal activity

The principal activity of the Company for the year under review was that of an employment agency and outsourcing supplier for the Police and Probation industries.

The Company's immediate and ultimate holding company and controlling party is Servoca Plc.

Directors

The directors who served during the 15 month period were:

A Church
C Hinton
J Wood

Going concern and post balance sheet events

The directors have prepared trading and cash flow forecasts for the period to 31 December 2024 which show that the Company will have significant headroom on borrowing facilities. Given the Company's current trading performance, strong balance sheet and cash position alongside the significant headroom on borrowing facilities, the directors have a reasonable expectation that there are no material uncertainties that cast doubt on the Company's ability to continue in operation. For these reasons the financial statements have been prepared on a going concern basis.

There are no post balance sheet events.

Qualifying third party indemnity provisions

Qualifying third party indemnity insurance is in place for the benefit of all the directors of the Company.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

Auditors

The auditors, RSM UK Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

SERVOCA RESOURCING SOLUTIONS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

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

A handwritten signature in black ink, appearing to be 'C Hinton', written over a horizontal line.

C Hinton
Director
Date: 13 May 2022

SERVOCA RESOURCING SOLUTIONS LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

SERVOCA RESOURCING SOLUTIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SERVOCA RESOURCING SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Servoca Resourcing Solutions Limited (the 'Company') for the 15 month period ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the 15 month 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.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

SERVOCA RESOURCING SOLUTIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SERVOCA RESOURCING SOLUTIONS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our Auditors' 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.

Opinion 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 Directors' Report for the financial 15 month period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

SERVOCA RESOURCING SOLUTIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SERVOCA RESOURCING SOLUTIONS LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

Auditors' 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 Auditors' 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial

SERVOCA RESOURCING SOLUTIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SERVOCA RESOURCING SOLUTIONS LIMITED (CONTINUED)

statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to employment law. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied by management. Audit procedures performed over the revenue recognition included testing the operating effectiveness of controls, performing cut off tests, analytical reviews and tests of detail to cover all revenue assertions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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.

Alastair Nuttall

ALASTAIR JOHN RICHARD NUTTALL (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants

3 Hardman Street
Manchester
M3 3HF

13 May 2022

SERVOCA RESOURCING SOLUTIONS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

	Note	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Turnover	4	16,968,846	14,882,657
Cost of sales		(15,607,649)	(13,540,866)
Gross profit		1,361,197	1,341,791
Administrative expenses		(1,062,082)	(920,442)
Operating profit	5	299,115	421,349
Interest payable and similar expenses	8	(224)	(5,916)
Profit before tax		298,891	415,433
Tax on profit	9	(20,511)	(26,944)
Profit for the financial 15 month period		278,380	388,489

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 11 to 23 form part of these financial statements.

SERVOCA RESOURCING SOLUTIONS LIMITED
REGISTERED NUMBER: 05011159

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

		31 December 2021 £	30 September 2020 £
Fixed assets	Note		
Intangible assets	10	81,940	103,500
Tangible assets	11	7,021	2,486
		<u>88,961</u>	<u>105,986</u>
Current assets			
Debtors	12	1,490,503	2,082,969
Cash at bank and in hand		1,531,927	1,368,579
		<u>3,022,430</u>	<u>3,451,548</u>
Creditors: amounts falling due within one year	13	(625,703)	(1,350,226)
Net current assets		<u>2,396,727</u>	<u>2,101,322</u>
Total assets less current liabilities		<u>2,485,688</u>	<u>2,207,308</u>
Net assets		<u>2,485,688</u>	<u>2,207,308</u>
Capital and reserves			
Called up share capital	15	110	110
Share premium account	16	723	723
Profit and loss account	16	2,484,855	2,206,475
		<u>2,485,688</u>	<u>2,207,308</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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



C Hinton
Director
Date: 13 May 2022

The notes on pages 11 to 23 form part of these financial statements.

SERVOCA RESOURCING SOLUTIONS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 October 2019	110	723	1,817,986	1,818,819
Profit for the year	-	-	388,489	388,489
At 1 October 2020	110	723	2,206,475	2,207,308
Profit for the 15 month period	-	-	278,380	278,380
At 31 December 2021	110	723	2,484,855	2,485,688

The notes on pages 11 to 23 form part of these financial statements.

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

1. General information

Servoca Resourcing Solutions Limited ("the Company") is a private company limited by shares domiciled and incorporated in England and Wales.

The address of the Company's registered office is Kingston House, Towers Business Park, Wilmslow Road, Manchester M20 2LD and principal place of business is Audrey House, 16-20 Ely Place, London EC1N 6SN.

The Company's principal activities are set out in the Report of the directors.

2. Accounting policies**2.1 Basis of preparation of financial statements**

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

The financial statements are presented in Sterling, to the nearest pound, which is also the functional currency of the Company.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Servoca plc as at 31 December 2021 and these financial statements may be obtained from the website of Servoca plc.

2.3 Going concern

The directors have prepared trading and cash flow forecasts for the period to 31 December 2024 which show that the Company will have significant headroom on borrowing facilities. Given the Company's current trading performance, strong balance sheet and cash position alongside the significant headroom on borrowing facilities, the directors have a reasonable expectation that there are no material uncertainties that cast doubt on the Company's ability to continue in operation. For these reasons the financial statements have been prepared on a going concern basis.

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.4 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Income from temporary placements is recognised at the end of a period of work. Income from permanent placements is recognised at the point of acceptance by both parties when the Company's contractual obligations have been fulfilled.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.6 Pensions**Defined contribution pension plan**

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

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

2.7 Current and deferred taxation

The tax expense for the 15 month period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.8 Intangible assets****Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of Comprehensive Income over its useful economic life, which is presumed to be 20 years.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

2.9 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% on cost per annum
Computer equipment	-	33% on cost per annum

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

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

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.11 Financial instruments (continued)

reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

Judgements and estimates are regularly evaluated based on historical experience, current circumstances and expectations of future events.

The critical judgements and estimates made in the preparation of the financial statements set out below are made in accordance with the appropriate Financial Standards and the Company's accounting policies:

- Provision for doubtful debts. Management reviews trade receivables on a regular basis and doubtful debts are provided for on the basis of expected recoverability based on credit ratings, knowledge of the customer, market conditions and previous experience.
- Goodwill is tested annually for impairment based on the cash flows of the income generating unit to which it relates. These estimates affect whether an impairment of goodwill should be recognised.

4. Turnover

Turnover is wholly attributable to the principal activity of the Company and arises solely within the United Kingdom.

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

5. Operating profit

The operating profit is stated after charging:

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Depreciation: owned assets	2,965	1,656
Amortisation of goodwill	21,560	17,248
Other operating lease rentals	6,915	5,376
Auditor's remuneration:		
Audit of the financial statements	5,500	5,000
Non audit services relating to taxation	2,500	2,525
	<u> </u>	<u> </u>

6. Employees

Staff costs were as follows:

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Wages and salaries	433,402	321,070
Social security costs	45,665	36,665
Cost of defined contribution scheme	8,210	6,208
	<u>487,277</u>	<u>363,943</u>

The average monthly number of employees, including the directors, during the 15 month period was as follows:

	15 month period ended 31 December 2021 No.	Year ended 30 September 2020 No.
Sales and operations	<u>10</u>	<u>10</u>

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

7. Directors' remuneration

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Directors' emoluments	114,504	95,363
Company contributions to defined contribution pension schemes	1,647	1,312
	<u>116,151</u>	<u>96,675</u>

Directors' remuneration does not include the remuneration of A Church and C Hinton who are directors of the ultimate holding company. Disclosure of the remuneration of A Church and C Hinton, who are directors of the ultimate parent company, Servoca Plc, is included in the notes in the consolidated financial statements of the ultimate parent company. It is not practical to separately identify the amount of their remuneration that relates to this Company.

One director is accruing pensions and the total value of contributions paid in the year is £1,647 (2020: £1,312).

8. Interest payable and similar expenses

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Interest on discounted debts	-	5,916
Other interest payable	224	-
	<u>224</u>	<u>5,916</u>

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

9. Taxation

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Corporation tax		
Current tax on profits for the year	19,000	25,908
Adjustments in respect of previous periods	158	-
Total current tax	19,158	25,908
Deferred tax		
Origination and reversal of timing differences	3,776	1,600
Changes to tax rates	(2,257)	(904)
Adjustment in respect of prior year	(166)	340
Total deferred tax	1,353	1,036
Taxation on profit on ordinary activities	20,511	26,944

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

9. Taxation (continued)**Factors affecting tax charge for the 15 month period/year**

The tax assessed for the 15 month period/year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Profit on ordinary activities before tax	298,891	415,433
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	56,789	78,932
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	155	336
Adjustments to tax charge in respect of prior periods	(8)	340
Change of deferred tax rate	(1,351)	(902)
Group relief	(35,074)	(51,762)
Total tax charge for the 15 month period/year	20,511	26,944

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

10. Intangible assets

	Goodwill £
Cost	
At 1 October 2020	275,980
At 31 December 2021	275,980
Amortisation	
At 1 October 2020	172,480
Charge for the 15 month period on owned assets	21,560
At 31 December 2021	194,040
Net book value	
At 31 December 2021	81,940
At 30 September 2020	103,500

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

11. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 October 2020	11,844	57,657	69,501
Additions	-	7,500	7,500
At 31 December 2021	11,844	65,157	77,001
Depreciation			
At 1 October 2020	11,844	55,171	67,015
Charge for the 15 month period on owned assets	-	2,965	2,965
At 31 December 2021	11,844	58,136	69,980
Net book value			
At 31 December 2021	-	7,021	7,021
At 30 September 2020	-	2,486	2,486

12. Debtors

	31 December 2021 £	30 September 2020 £
Due after more than one year		
Amounts owed by group undertakings	614,065	541,543
Due within one year		
Trade debtors	610,614	1,029,496
Other debtors	1,320	267,361
Prepayments and accrued income	258,875	237,587
Deferred taxation	5,629	6,982
	<u>1,490,503</u>	<u>2,082,969</u>

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

12. Debtors (continued)

Invoice discounting facilities are secured by a charge over the borrowing company's book debts, however these were not being utilised at the period end and as such the debit balance as at 31 December 2021 of £44,624 is included in the cash at bank balance (2020: debtor £267,361, within other debtors). Interest during the year is payable on these instruments at varying rates above the bank's base rate. There is a cross company guarantee in place in relation to the invoice discounting facilities for the trading Servoca Plc subsidiary companies. The total group amount at 31 December 2021 in respect of these invoice discounting facilities, included in cash at bank, was £321,000 (2020: debtor of £1,129,000).

Amounts due from group undertakings are non-interest bearing and are receivable in a period greater than 12 months.

13. Creditors: Amounts falling due within one year

	31 December 2021 £	30 September 2020 £
Trade creditors	300	16,544
Corporation tax	19,000	49,500
Other taxation and social security	257,623	578,329
Other creditors	81,944	338,992
Accruals and deferred income	266,836	366,861
	<u>625,703</u>	<u>1,350,226</u>

The Company is part of a group VAT registration and the total group liability at 31 December 2021 was £2,484,000 (2020: £2,293,000).

14. Deferred taxation

	2021 £	2020 £
At beginning of year	6,982	8,017
Charged to profit or loss	(1,353)	(1,035)
At end of year	<u>5,629</u>	<u>6,982</u>

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

14. Deferred taxation (continued)

The deferred tax asset is made up as follows:

	31 December 2021 £	30 September 2020 £
Accelerated capital allowances	5,340	6,417
Other short term timing differences	289	565
	<u>5,629</u>	<u>6,982</u>

15. Share capital

	31 December 2021 £	30 September 2020 £
Allotted, called up and fully paid		
100 (2020 - 100) Ordinary A shares of £1.00 each	100	100
10 (2020 - 10) Ordinary B shares of £1.00 each	10	10
	<u>110</u>	<u>110</u>

The B shares have no entitlement to receive notice of, attend, speak or vote at general meetings of the Company or receive dividends or distributions out of the Company. They entitle the holders to the rewards and benefits specified in the rules of the Servoca Management Equity Incentive Plan only.

16. Reserves**Share premium account**

Share premium account: the amount subscribed for share capital in excess of nominal value after deducting costs directly incurred in issuing the shares.

Profit and loss account

Profit and loss account: the cumulative profit and loss net of any distribution to owners.

SERVOCA RESOURCING SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 DECEMBER 2021**

17. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	31 December 2021 £	30 September 2020 £
Not later than 1 year	6,177	4,024
Later than 1 year and not later than 5 years	16,987	-
	23,164	4,024

18. Controlling party

The immediate and ultimate controlling party and parent company is Servoca Plc, a company registered in England and Wales. Servoca Plc is the only undertaking preparing consolidated financial statements that incorporate the results of the Company. Copies of Servoca Plc's Group financial statements may be obtained from Kingston House, Towers Business Park, Wilmslow Road, Manchester M20 2LD.