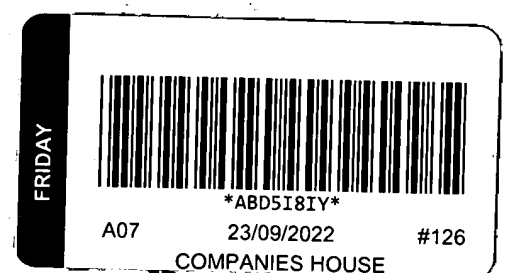


Experis Limited

Annual Report and Financial Statements

For the year ended 31 December 2021

Registered number: 02114287



Experis Limited

Annual report and financial statements for year ended 31 December 2021

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Annual report and financial statements for year ended 31 December 2021

Officers and professional advisers

Directors

M A Cahill
M J Donnelly
D P Whitham

Registered Office

Second Floor
6 New Bridge Street
London
EC4V 6AB

Banker

Royal Bank of Scotland
62/63 Threadneedle Street
London
EC2H 8LA

Auditor

Deloitte LLP
Statutory Auditor
London
United Kingdom

Strategic report

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006. Experis Limited (the 'Company') is a private limited company incorporated in the United Kingdom.

Review of the business

The Company's principal activity is that of provision of professional recruitment specialists. There have not been any significant changes in the Company's principal activity during the year under review and other than the impact of COVID-19 discussed in principal risks and uncertainties below, the directors are not aware at the date of this report of any other likely major changes in either the nature or level of the Company's activities in the next year.

During 2021 the Company's annual turnover increased by 4.0% from £544,181,000 to £565,900,000 mainly due to two reasons: an increase in revenue from a significant new client and a general increase in activity as the company recovers from the Covid-19 lockdowns in 2020. The contractor base has increased by 12.2% (2020 – 25.5%). As a result of the continuing competitive pressure the Company's overall gross profit margin has increased from 6.3% to 7.0% and operating profit margin has also increased from 0.9% to 1.2%.

As shown in the profit and loss account on page 13, the Company's profit after taxation was £6,057,000 (2020 - £3,936,000).

The balance sheet on page 14 of the financial statements shows that the Company's financial position at the year-end has, in net assets terms, decreased by 2.9% (2020 – 4.9%).

Key performance indicators

All data used in key performance indicators is derived from the Company's financial statements. Company performance during the year has been measured by management using the following KPI's:

	2021	2020
Gross margin (1)	7.0%	6.3%
Operating profit margin (2)	1.2%	0.9%

(1) Gross margin = gross profit as a percentage of turnover.

(2) Operating profit margin = operating profit as a percentage of turnover.

Gross margin percentage increased to 7.0% (2020 6.3%) due to an increase in permanent placement services at high gross margin which more than offset increases in payrolling services for a significant client at lower gross margins.

Principal risks and uncertainties

Competitive pressure in the UK is a continuing risk for the Company, which could result in it losing sales to its key competitors. The Company manages this risk by providing added value services to its customers, building and maintaining strong customer relationships and operating efficient supply and account handling procedures.

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

Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet, the only financial risk in the normal course of business that the directors consider relevant to this Company is credit risk. The risk is mitigated through a robust credit control function. In order to maintain liquidity, to ensure sufficient funds are available for ongoing operations and future developments, the Company uses third party short-term debt finance available to all ManpowerGroup Inc. group companies. The interest rate risks are set at market rates by the third party and managed by central treasury functions within ManpowerGroup Inc.

Strategic report (continued)

Principal risks and uncertainties (continued)

Based on the results the Company responded well to the COVID-19 impact in 2021 and the Directors will continue to monitor, review and take the appropriate steps, as well as recognise and address the other current and emerging risks and uncertainties we face as a business. Following the COVID-19 impact and subsequent UK lockdowns in 2020 and early 2021 volumes were significantly recovered in the second half of 2021. ManpowerGroup companies are well placed to respond positively to the changing market conditions from these factors.

Section 172(1) statement

The individual directors are aware and mindful of their duty under s.172(1) of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard amongst other matters to the likely consequences of any decision in the long term, the interests of the Company's employees, the need to foster the Company's business relationships with its suppliers, customers and others, the impact of the Company's operations on the community and the environment, the desirability of the Company maintaining a reputation for high standards of business conduct and the need to act fairly as between members of the Company (together, the "S.172(1) Matters").

The Board recognises that difficult decisions must sometimes be taken which require each director to exercise independent judgment and apply reasonable care, skill and diligence in the decision-making process. In doing so, the Board recognises its responsibilities to the Company's different stakeholder groups.

The Board has determined the Company's key stakeholder groups to be: Customers, Suppliers, People, the Community and Shareholders (together, the "Stakeholder Groups"). Each Stakeholder Group plays an important role in the ability of the Company to execute its strategy and deliver on its purpose.

The Company has processes in place to capture and consider the views of its Stakeholder Groups and share their views at relevant levels within the business, including with the Board, to ensure that regard is given to these views in decision-making processes. Examples are provided below of typical methods of engagement with the Stakeholder Groups and how the Board stays apprised of their views to inform its decision-making.

Customers

The Company prides itself on anticipating the needs of its customers so it can deliver a differentiated customer experience. Various methods are utilised to understand customer needs and feedback including Net promoter scores, Customer forums on relevant employment topics, complaints information and feedback shared by customers directly.

The Company's board have direct reports of Sales and Marketing Director and Operations Directors for each business area, who periodically inform the Board directly as to customer matters, ensuring the Board takes customer interests into account in its decision-making. Where possible the board participate in customer forums and meet customers directly to gain feedback on customer views and needs.

Suppliers

The Board recognises the need to foster the Company's business relationships with suppliers and ensures that the Company has processes in place to engage and consult with its suppliers on a regular basis to develop and maintain lasting and meaningful relationships. The Company proactively engages and consults with its suppliers as required to understand their views and needs. The Company is mindful of its payment policies, practices and performance, with respect to its suppliers and takes steps to ensure that agreed payment terms are adhered to so as not to adversely affect supplier cash flows and ability to trade. The Board receives periodic reporting in this area, ensuring that appropriate controls and processes remain in place. Prior to making internal process improvements, consideration is given to the potential impact of proposed changes upon suppliers and other business partners. During 2020 the extra area of engagement and consultation with suppliers concerned the proposed implementation of IR35 measures by HMRC to the contractor population in the UK.

Strategic report (continued)

People

The Company employs various tools to seek and utilise the views of its people including via informal feedback, Employee forums, short online surveys and an annual Employee opinion survey.

The Company's board have direct reports of Talent Director and HR Director, who keep the Board directly informed as to people and culture matters, which are also a standing agenda item on the board meetings for the wider UK Group. In 2021, employees participated in an Employee opinion survey as they do each year, the results of which were shared with the Board to inform the Board's decisions as to enhancements to be made by the business with respect to its People. The results are also shared and discussed with employees throughout the management structure to act on the findings of the survey.

Community

A core belief of ManpowerGroup Inc, the Company's ultimate parent company, is that meaningful, sustainable employment has the power to change the world. As a member of ManpowerGroup we connect thousands of people to work and help them to develop skills to stay employable for the long term. This way they can support their families, contribute to their communities, and achieve their career goals. Work is a source of dignity and purpose – as well as income – for the people we employ. As a professional services company our environmental impact has always been relatively small, but we are committed to adjusting our business model to support even more sustainable ways of working.

Shareholders

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

Future developments

Whilst the market conditions remain uncertain, with improvements in the speed and quality of operational delivery, financial efficiencies and liquidity, the directors believe that the Company is well placed to benefit from any improvement in the economy and the increases in the demand for employment services which will arise there from in the forthcoming year.

The directors expect the general level of activity to increase in the forthcoming year from the levels encountered in 2021 as the economy continues to recover.

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



M J Donnelly
Director

2 | September 2022

**Second Floor
6 New Bridge Street
London
EC4V 6AB**

Directors' report

The directors present their annual report on the affairs of the Company, together with the audited financial statements and auditor's report for the year ended 31 December 2021.

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data	2021	2020
Energy consumption used to calculate emissions (kWh)	281,123	76,112
Scope 1 emissions in metric tonnes CO2e		
Gas consumption	0.00	0.00
Owned transport – mini-buses	2.00	2.51
Total Scope 1	2.00	2.51
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	48.14	3.09
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	12.00	27.05
Trains and local travel	6.00	4.88
Flights	9.00	114.90
Total:	27.00	146.83
Total gross emissions in metric tonnes CO2e	77.14	152.43
Intensity ratio Tonnes CO2e per £1m Turnover	0.14	0.28

Experis Limited operates our facilities and business processes in a manner that is harmonious with the communities in which we are located. We will comply with the spirit and letter of applicable environmental regulations including national and local laws relating to the protection of employees, the public and the environment.

We take responsibility for developing and maintaining local environmental management policies, practices, guidance and training as appropriate to the local business environment. We will reduce energy consumption and resulting greenhouse gas emissions from our office activities, through cost-effective measures wherever possible. We will limit business travel whenever possible; when travel is necessary, we will choose the most cost-effective and lowest impact transportation modes available.

As a professional services company our environmental impact has always been relatively small. The shift to remote working and radical reduction in business travel during COVID-19 have highlighted opportunities for organizations like ours to reduce our impact even further. As we build back better as part of the recovery, we are committed to adjusting our business model to support sustainable ways of working and our Global Environmental Management Policy and Guidance provides practical examples of how we can deliver on these commitments at the local level. Our participation in the Carbon Disclosure Project (CDP) means we can be transparent about our initiatives and impact to global stakeholders, while supporting us in identifying opportunities for improvement. In 2019, we completed our 9th CDP Report and received a rating in the "Awareness" band, on par with industry and regional averages.

Directors' report (continued)

Directors and their interests

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

M A Cahill
D P Whitham
M J Donnelly

Future developments

Details of future developments can be found in the strategic report on page 4.

Going concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. This is unchanged despite the uncertain economic climate.

Information in respect of financial risk management and liquidity risks is set out in the strategic report on pages 2 and 3.

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

Dividends

On 22 December 2021, the Company declared and paid an interim dividend of £8,500,000 (2020 - £nil). The directors do not recommend the payment of a final dividend (2020 - £nil).

Financial risk management objectives and policies

Details of financial risk management objectives and policies can be found in the strategic report on pages 2 and 3 "Principal risks and uncertainties".

Employees

Details of the number of employees and related costs can be found in note 8 to the financial statements. Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and 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.

Directors' report (continued)

Employee consultation

The directors recognise the importance of communicating effectively with all levels of employees on matters which affect their current occupations and future prospects. Communications with employees is achieved through regular individual meetings at local level and through information briefing sessions and discussions with wider groups of employees.

Special emphasis is placed on training of staff and a full range of internally organised training courses is provided for this purpose.

The Company offers a range of employee benefits to staff who qualify by reason of seniority and length of service, including a pension scheme, death-in-service benefits and private medical insurance.

Information to the auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting

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


M J Donnelly
Director

21 September 2022

Second Floor
6 New Bridge Street
London
EC4V 6AB

Directors' responsibilities statement

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

Independent auditor's report to the members of Experis Limited

Report on the audit of the financial statements

Opinion

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

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 20.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006, Tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included UK Bribery Act, Employment Law, Data Protection Act (GDPR), Money Laundering and Proceeds of Crime Act 2006.

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

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

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

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

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance
- performing tests of effectiveness over the internal controls of the business to address the significant risk of management override of control.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

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

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.



Dave Johnson FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

21 September 2022

Experis Limited

Profit and loss account For the year ended 31 December 2021

	Note	2021 £000	2020 £000
Turnover		565,900	544,181
Cost of sales		(526,118)	(510,029)
Gross profit		39,782	34,152
Other operating expenses	3	(32,886)	(29,997)
Other operating income	4	-	668
Operating profit		6,896	4,823
Finance costs (net)	5	(165)	(98)
Profit before taxation	6	6,731	4,725
Tax on profit	10	(674)	(789)
Profit for the financial year attributable to equity shareholder of the Company		6,057	3,936

All results are from continuing activities.

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

Experis Limited

Balance sheet As at 31 December 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible fixed assets	11	69	156
Tangible fixed assets	12	275	259
Investments	13	778	778
		<u>1,122</u>	<u>1,193</u>
Current assets			
Cash at bank and in hand		1,410	9,102
Debtors			
- amounts falling due within one year	14	156,786	181,309
- amounts falling due after one year	14	1,210	1,058
		<u>159,406</u>	<u>191,469</u>
Creditors: amounts falling due within one year	15	<u>(78,659)</u>	<u>(108,340)</u>
Net current assets		<u>80,747</u>	<u>83,129</u>
Total assets less current liabilities		<u>81,869</u>	<u>84,322</u>
Provisions for liabilities	16	<u>(303)</u>	<u>(313)</u>
Net assets		<u>81,566</u>	<u>84,009</u>
Capital and reserves			
Called up share capital	17	111	111
Share premium account	17	1,728	1,728
Capital contribution	17	16,160	16,160
Profit and loss account	17	63,567	66,010
Shareholder's funds		<u>81,566</u>	<u>84,009</u>

The financial statements of Experis Limited, a company registered in England and Wales, registered number 02114287, were approved by the Board of Directors and authorised for issue on 21 September 2022. They were signed on its behalf by:



M J Donnelly
Director

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

	Called up share capital £000	Share premium account £000	Capital contribution £000	Profit and loss account £000	Total £000
At 1 January 2020	111	1,728	16,160	62,074	80,073
Profit for the financial year	-	-	-	3,936	3,936
Total comprehensive income	-	-	-	3,936	3,936
At 31 December 2020	111	1,728	16,160	66,010	84,009
Profit for the financial year	-	-	-	6,057	6,057
Total comprehensive income	-	-	-	6,057	6,057
Dividend paid on equity shares	-	-	-	(8,500)	(8,500)
At 31 December 2021	111	1,728	16,160	63,567	81,566

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

1. Accounting policies

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

General information and basis of accounting

Experis Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on page 1. The nature of Experis Limited's operation and its principal activity are set out in the strategic report on pages 2 to 4.

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

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

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

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on pages 2 to 4. The financial position of the Company is described in the strategic report.

The Company has net assets and is trading profitably. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully, despite the current uncertain economic outlook.

ManpowerGroup Inc., the company's ultimate parent company, has given written assurance that they will continue to support the Company for at least 12 months subsequent to the sign off date of this report.

Having regard of this intention of the parent company and the ability of ManpowerGroup Inc to provide such support if necessary, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements. This is unchanged despite the uncertain economic climate.

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

1. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over their estimated useful lives as follows:

Leasehold improvements	-	over the term of the lease
Furniture and equipment	-	3-10 years
Computers	-	3 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

Intangible fixed assets

Goodwill arising from the acquisition of businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired is capitalised and written off on a straight line basis over its useful economic life, which is 10 years. Provision is made for any impairment.

Computer software licences are included at cost less any provision for impairment and are written off on a straight line basis over their useful economic life, which is between three and five years.

Financial instruments

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

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

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

Investments

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

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

1. Accounting policies (continued)

Taxation

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

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

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

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

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

The Company is part of a tax group for certain aspects of tax legislation. One of these aspects relates to group relief whereby current tax liabilities can be offset by current tax losses arising in other companies within the same tax group. No payment for group relief is made when a company in the same tax group surrenders their losses

Turnover

Turnover is derived entirely in the United Kingdom and is stated net of VAT and trade discounts. Turnover is recognised when the significant risks and rewards are considered to have been transferred to the buyer. When the company does not have exposure to the significant risks and rewards associated with the rendering of services and is in substance acting as an agent, revenue is recorded net based on the amount of commission earned. Turnover arising from temporary placements is recognised over the period that temporary staff is provided. Turnover arising from the placement of permanent candidates is recognised at the time the candidate commences full time employment.

Leases

Rentals paid under operating leases are charged on a straight-line basis over the lease term, even if payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term. Further information on charges in the year and future commitments is given in notes 3 and 19 respectively. The terms of all operating leases are continually reviewed, and a provision is made for the discounted value of future onerous lease payments where appropriate.

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

1. Accounting policies (continued)

Employee benefits

The Company operates a defined contribution scheme for certain permanent employees. The amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either prepayments or accruals in the balance sheet

The Company participates in the Manpower Pension Plan (see note 19). This is a defined benefit multi-employer scheme, the assets and liabilities of which are held independently from the Group.

It is the policy of the Manpower Pension Plan to fund pension liabilities on the advice of external actuaries, by payments to an independent trust. Independent actuarial valuations on a going concern basis are carried out on the Group defined benefit scheme every three years.

Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met, and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Foreign currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. The resulting monetary assets and liabilities are translated at the rate of exchange prevailing at the balance sheet date.

2. Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

Revenue recognition

The company records revenue net where in substance it is acting as an agent. The directors have taken consideration of a certain segment of the business being contracts where as a subset of their supply the company manage other temporary labour suppliers for a customer for a fixed percentage fee. The directors have determined that, on balance, the company has the primary obligation for performance and /or takes credit risk of the services and as such it is acting as principal under the guidance of FRS 102. Accordingly, the revenues for this segment of £172m (2020 - £160m) are reported gross.

Key source of estimation uncertainty

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Other operating expenses

	2021	2020
	£000	£000
Administrative expenses	27,969	25,186
Royalty fees	4,917	4,811
Other operating expenses	32,886	29,997

4. Other operating income

	2021	2020
	£000	£000
Other operating income, which includes amounts claimed under the Coronavirus Job Retention Scheme	-	668

**Notes to the financial statements
For the year ended 31 December 2021****5. Finance costs (net)**

	2021	2020
	£000	£000
Interest payable and similar charges	165	98
	<u>165</u>	<u>98</u>
Interest payable and similar charges		
Loans payable to other group undertakings	119	95
	<u>119</u>	<u>95</u>
Net exchange profit	46	3
	<u>165</u>	<u>98</u>

6. Profit before taxation

	2021	2020
	£000	£000
Profit before taxation is stated after charging:		
Depreciation of tangible fixed assets	91	111
Software amortisation	87	98
Operating lease rentals – leasehold properties	935	959
	<u>91</u>	<u>111</u>

7. Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual financial statements were £179,300 (2020 - £164,700).

8. Staff numbers and costs

	2021	2020
	£000	£000
Staff costs of the Company, including directors, were:		
Salaries	18,156	15,586
Social security costs	1,764	1,512
Other pension costs	492	455
	<u>20,412</u>	<u>17,553</u>

	2021	2020
	Number	Number
The monthly average number of persons employed by the Company during the year, including directors, was:		
Branch and administrative staff	330	300

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

9. Directors' remuneration

None of the directors received any remuneration in respect of their services to the Company during the year (2020 - £nil). Remuneration costs for three of the directors are borne by a fellow group company, Manpower UK Limited and the amounts are not apportioned. They are therefore disclosed in that Company's financial statements.

10. Tax on profit

	2021	2020
	£000	£000
The tax charge comprises:		
Current tax on profit		
UK corporation tax	1,178	800
Over provision in prior years	(352)	(15)
Total current tax	826	785
Deferred tax		
Origination and reversal of timing differences	116	112
Adjustments in respect of prior years	22	15
Effect of change in tax rates	(290)	(123)
Total deferred tax (credit)/charge	(152)	4
Total tax on profit	674	789

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

	2021	2020
	£000	£000
Profit before taxation	6,731	4,725
Tax on profit at standard UK tax rate of 19% (2020 – 19%)	1,279	898
Effects of:		
Expenses not deductible for tax purposes	12	15
Adjustments to tax charge in respect of previous years	(331)	-
Effect of changes in tax rate	(290)	(123)
Other	4	(1)
Total tax on profit	674	789

**Notes to the financial statements
For the year ended 31 December 2021****10. Tax on profit (continued)**

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

The Company has an unrecognised deferred tax asset of approximately £825,000 (2020 - £627,000). The unrecognised deferred tax asset would be recoverable by way of relief against future chargeable gains.

11. Intangible fixed assets

	Goodwill £000	Computer software £000	Total £000
Cost			
At 1 January 2021	540	2,146	2,686
Additions	-	-	-
At 31 December 2021	540	2,146	2,686
Amortisation			
At 1 January 2021	540	1,990	2,530
Charge for the year	-	87	87
At 31 December 2021	540	2,077	2,617
Net book value			
At 31 December 2021	-	69	69
At 31 December 2020	-	156	156

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

12. Tangible fixed assets

	Leasehold improvements £000	Furniture and equipment £000	Computers £000	Total £000
Cost				
At 1 January 2021	2,598	1,370	75	4,043
Additions	-	107	-	107
At 31 December 2021	2,598	1,477	75	4,150
Depreciation				
At 1 January 2021	2,415	1,317	52	3,784
Charge for the year	49	23	19	91
At 31 December 2021	2,464	1,340	71	3,875
Net book value				
At 31 December 2021	134	137	4	275
At 31 December 2020	183	53	23	259

13. Fixed asset investments

	Subsidiary Undertakings £
Cost at 1 January 2021 and 31 December 2021	778
Net book value at 31 December 2020 and 31 December 2021	778

At 31 December 2021, the Company had the following subsidiary undertaking, which was directly held ordinary shares, 100% owned and registered in the United Kingdom. The Company's principal activity was that of IT recruitment:

Subsidiary undertaking
 Experis Resource Support Services Limited

Registered Office
 Capital Court, Windsor Street, Uxbridge, England UB8 1AB

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

14. Debtors

	2021	2020
	£000	£000
Amounts falling due within one year:		
Trade debtors	65,346	66,167
Unbilled revenue	24,160	17,602
Amounts due from parent undertakings	28	38
Amounts due from other group undertakings	66,752	96,997
Other debtors	-	75
Prepayments and accrued income	500	430
	<u>156,786</u>	<u>181,309</u>
Amounts falling due after more than one year:		
Deferred tax	1,210	1,058
	<u>157,996</u>	<u>182,367</u>
The movement on deferred tax comprises:		
At 1 January	1,058	1,062
Credit/(Charge) to profit and loss account	152	(4)
At 31 December	<u>1,210</u>	<u>1,058</u>
Deferred tax comprises:		
Deferred capital allowances	258	224
Other timing differences	143	143
Unutilised losses carried forward	809	691
	<u>1,210</u>	<u>1,058</u>

Amounts due from parent undertakings include current accounts of £28,000 (2020 - £38,000) which are interest-free, unsecured and repayable on demand.

Amounts due from other group undertakings include unsecured loans of £Nil (2020 - £13,226,000) and current accounts of £66,752,000 (2020 - £83,771,000) which are interest-free, unsecured and repayable on demand.

**Notes to the financial statements
For the year ended 31 December 2021****15. Creditors: amounts falling due within one year**

	2021 £000	2020 £000
Trade creditors	38,479	43,153
Amounts owed to parent undertakings	342	13,772
Amounts owed to subsidiaries	1,385	1,395
Amounts owed to other group undertakings	21,685	32,591
Taxation and social security	9,424	11,117
Corporation tax creditors	1,625	2,686
Other creditors	2,189	1,552
Accruals and deferred income	3,530	2,074
	<u>78,659</u>	<u>108,340</u>

Amounts owed to parent undertakings include unsecured loans of £ Nil (2020 - £8,560,000) and current accounts of £342,00 (2020 - £5,212,000) which are interest-free, unsecured and repayable on demand.

Amounts owed to subsidiaries current accounts of £1,385,000 (2020 - £1,395,000) which are interest-free, unsecured and repayable on demand.

Amounts owed to other group undertakings include unsecured loans of £15,292,000 (2020 - £17,916,000) which bear interest at 0.75% and are repayable on demand and current accounts of £6,393,000 (2020 - £14,675,000) which are interest-free, unsecured and repayable on demand.

16. Provision for liabilities

	2021 £000	2020 £000
At 1 January	313	279
Additions	18	34
Utilised in the year	(28)	-
	<u>303</u>	<u>313</u>

All of the above provisions relate to dilapidations on UK property. These will be utilised over the next 5 to 10 years, depending on the lease term.

**Notes to the financial statements
For the year ended 31 December 2021****17. Called up share capital and reserves**

	2021 £000	2020 £000
Authorised:		
12,500,000 Ordinary shares of 1p each	<u>125</u>	<u>125</u>
Called up, allotted and fully paid		
11,051,030 Ordinary shares of 1p each	<u>111</u>	<u>111</u>

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

The Company's other reserves are as follows:

The share premium reserve contains the premiums arising on the issue of equity shares, net of issue expenses.

The capital contribution reserve represents cash contributions from the parent company, Experis Group Limited.

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

18. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 Land and buildings £000	2020 Land and buildings £000
- within one year	412	471
- between one and five years	1,581	1,250
- over five years	<u>675</u>	<u>442</u>
	<u>2,668</u>	<u>2,163</u>

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

19. Employee benefits

The Company is party to a defined contribution pension scheme for all qualifying employees within a group pension plan, with the assets of the scheme held in an independently administered fund. The pension costs of the Company were £492,107 (2020 - £455,030).

The Company participates in a group defined benefit scheme for qualifying employees. Under the scheme, the employees are entitled to retirement benefits based on a percentage of the final salary on attainment of a retirement age of 65.

Manpower UK Limited recognises the whole of the scheme surplus or deficit in its financial statements, as it is the entity which is the participating company bearing all the risks of the scheme. The Company recognises a cost equal to its contribution payable for the period, which in the year ended 31 December 2021 was £nil (2020 - £nil).

Further details of the group defined benefit scheme are disclosed in the Manpower UK Limited financial statements.

20. Ultimate controlling party

The Company's ultimate parent company and controlling party is ManpowerGroup Inc., a company incorporated in the United States of America.

The Company's immediate parent company is Experis Group Limited, a company registered in England and Wales.

The smallest and largest group in which the results of Experis Limited are consolidated is that headed by ManpowerGroup Inc., whose principal place of business is at 100 Manpower Place, Milwaukee, Wisconsin 53212, USA. The annual report of this group is available to the public and may be obtained from the above address.