

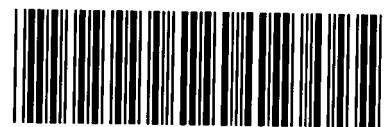
**COMPANY NUMBER: 02566143**

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**TUESDAY**



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**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**COMPANY INFORMATION**

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**DIRECTORS:**

P J Hearn  
F M Robinson  
I D Moss

**COMPANY SECRETARY:**

I D Moss

**COMPANY NUMBER:**

02566143 (England & Wales)

**REGISTERED OFFICE:**

62 Queen Street  
London  
EC4R 1EB

**AUDITORS:**

Arram Berlyn Gardner LLP  
30 City Road  
London  
EC1Y 2AB

# HOGGETT BOWERS INTERIM MANAGEMENT LIMITED

## STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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### Results

The gross fee income for the year decreased by 48% to £0.7 million (2020: £1.3 million). The loss for the year after taxation was £48,000 (2020: Profit £22,000).

### Key performance indicator

The Company's principal key performance indicator ('KPI') is net fee income generated per employee which reflects productivity. Current productivity is used to monitor the performance of the business which, together with historic and projected productivity, helps determine where the Company's resources should be deployed. Net fee income per employee for the year was £82,000 (2020: £133,000).

### Principal risk factors

#### *i) Dependence on key personnel*

The future success of the Company is dependant on the continued service of senior management and key personnel. The loss of the services of the executive officers of the Company and other key personnel could have a material effect on the business.

#### *ii) Competition*

The Directors believe that the Company is well positioned in its chosen markets. Whilst the Company will seek to continue to improve its competitive positions, the actions of current or indeed potential competitors may adversely affect the Company's business.

#### *iii) Strength of key markets*

The market for executive search and selection and other recruitment services is currently uncertain and it is difficult to predict how the market will develop over the foreseeable future. A decline in the market for executive search and selection services could have a material adverse effect on profitability and cash flows of the business.

#### *iv) Going concern*

As at 31 December 2021 the Company had no borrowings. The Directors have prepared base case financial forecasts for the period ending 1 August 2023. Forecast stress testing has demonstrated that the Company could withstand both a material and prolonged decrease in revenue and not require any financial support. On this basis, the Directors have a reasonable expectation that the Company will have sufficient available resources to continue operating for at least 12 months from the approval date of these Financial Statements. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements. The company has been provided with a letter of support from its parent, PSD Group Limited.

### Principal activity, business reviews and future developments

The principal activity of the Company remained the provision of recruitment consultancy services.

The Directors keep under review the cost base of the Company and we will continue to take prompt and decisive action where necessary to maintain the appropriate balance of revenues and costs for the long term success of the business.

Subject to market conditions, the Company will seek to extend its operations through organic growth.

23 Aug 2022

Approved by the Board on ..... and signed on its behalf by:

*Ian Moss*  
.....  
I D Moss  
Secretary

# **HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

### **Directors**

The directors who served during the year are:

P J Hearn  
F M Robinson  
I D Moss

The directors present their review of the affairs of the company, together with the accounts for the year ended 31 December 2021.

### **Dividends**

No dividends (2020: £Nil) were declared or paid during the year.

### **Personnel policies**

The Company gives consideration to applications for employment from disabled persons where the requirements of the job may be adequately covered by a handicapped or disabled person. Disabled employees are employed under normal terms and conditions. Career development and promotion are provided wherever appropriate.

During the year, the policy of providing employees with financial and economic factors affecting the Company and other information about the Company through news letters and employee forums has been continued. Employees have been encouraged to present their own suggestions and views.

### **Environmental policy**

The Company recognises its responsibilities for the environment and gives due consideration to the possible effects of its activities on the environment. The Company's activities have a minor effect on the environment. However, it is the Company's aim to reduce the environmental impact of its activities and to operate in an environmentally responsible manner. The Company is committed to the following principles to ensure the business operates in an environmentally sensitive manner:

- Encouraging the re-use and recycling of products;
- Ensuring efficient use of materials and energy; and
- Purchasing environmentally friendly materials where appropriate.

The Company keeps under review its environmental policy and the practical implementation of this policy as new products and technologies become available. The Company is conscious of the need to balance the benefits of formally monitoring its impact and the benefits this will bring to all stakeholders. No formal evaluation or monitoring was carried out during 2021. However, the Company will review annually the costs and benefits arising from introducing a formal process and, if appropriate, introduce a process for monitoring the Company's impact on the environment.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Political and charitable donations**

The Company made no political or charitable donations during the year (2020: £Nil).

**Policy on payment of suppliers**

The Company agrees payment terms with each of its major suppliers and seeks to abide by these terms, subject to satisfactory performance by the supplier.

**Directors' and officers' liability insurance**

The Company maintains liability insurance for the Directors and Officers of the Company and its subsidiaries.

**Auditors**

Arram Berlyn Gardner LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

**Financial risk management**

The company's financial risks are principally price, liquidity and credit risk. The Company has long term funding and cash not required for short term operational requirements is placed on deposit with Barclays Bank PLC. The directors closely monitor the performances of its investments to ensure they are managed such that financial risks of the businesses are commensurate with anticipated financial returns.

23 Aug 2022

Approved by the Board on ..... and signed on its behalf by:

*Ian Moss*

.....  
I D Moss  
Secretary

# HOGGETT BOWERS INTERIM MANAGEMENT LIMITED

## DIRECTORS' RESPONSIBILITIES STATEMENT

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### Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. 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 and 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 international 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The directors are responsible for preparing the annual report in accordance with applicable law and regulations. Having taken advice from the Audit Committee, the directors consider the annual report and the financial statements, taken as a whole, provides the information necessary to assess the company's performance, business model and strategy and is fair, balanced and understandable.

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

To the best of our knowledge:

- the financial statements, prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

23 Aug 2022

Approved by the Board on ..... and signed on its behalf by:-

*Ian Moss*

.....  
I D Moss  
Secretary

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**

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## **Opinion**

We have audited the financial statements of Hoggett Bowers Interim Management Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

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 year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the UK; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor'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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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

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

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

## **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the directors' report for the financial year 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOGGETT BOWERS INTERIM MANAGEMENT LIMITED (CONTINUED)**

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### **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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

### **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.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the industry in which the company operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including, but not limited to, laws covering Health and Safety and Environmental law, the Companies Act 2006 and relevant taxation legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting relevant documentation; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOGGETT BOWERS INTERIM MANAGEMENT LIMITED (CONTINUED)

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- understanding the business model as part of the control and business environment;
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 4 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing documentation and enquiring with the company of actual and potential non-compliance with laws and regulations.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

## Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah Wilson FCA (Senior Statutory Auditor)  
For and on behalf of Arram Berlyn Gardner LLP

*Sarah Wilson*  
.....

Chartered Accountants  
Statutory Auditor

30 City Road  
London  
EC1Y 2AB

Date: 24 Aug 2022  
.....

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £'000	2020 £'000
<b>Revenue ("Gross fee income")</b>		<b>721</b>	<b>1,336</b>
Direct costs		(566)	(1,070)
<b>Gross profit ("Net fee income")</b>		<b>155</b>	<b>266</b>
Administrative expenses		(205)	(242)
<b>Operating (loss)/ profit</b>		<b>(50)</b>	<b>24</b>
Finance income/(cost)	10	2	(2)
<b>(Loss)/profit before income tax</b>	8	<b>(48)</b>	<b>22</b>
Income tax charge	9	-	-
<b>(Loss)/profit for the year</b>		<b>(48)</b>	<b>22</b>
<b>Other comprehensive income</b>			
Other comprehensive income		-	-
<b>Total comprehensive (loss)/profit for the year</b>		<b>(48)</b>	<b>22</b>

All operations are classified as continuing.

The notes on pages 13 to 23 form part of these financial statements.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Notes	2021 £'000	2020 £'000
<b>Current assets</b>			
Trade and other receivables	12	161	214
<b>Total current assets</b>		161	214
<b>Total assets</b>		161	214
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13	(90)	(95)
Current Income tax liability		-	-
<b>Total current liabilities</b>		(90)	(95)
<b>Total liabilities</b>		(90)	(95)
<b>Net assets</b>		71	119
<b>Equity</b>			
Called up share capital	14	-	-
Retained earnings	15	71	119
<b>Total Equity</b>		71	119

The financial statements on pages 9 to 23 were authorised for issue by the Board of Directors on 23 Aug 2022 ..... and signed on its behalf by:

*Ian Moss*.....  
I D Moss  
Secretary

Company number 02566143

The notes on pages 13 to 23 form part of these financial statements.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Retained earnings	Total equity
	£'000	£'000	£'000
<b>At 1 January 2020</b>	-	97	97
Profit for the financial year	-	22	22
Total comprehensive profit for the year	-	22	22
<b>As at 31 December 2020</b>	-	119	119
(Loss) for the financial year	-	(48)	(37)
Total comprehensive loss for the year	-	(48)	(37)
<b>As at 31 December 2021</b>	-	71	82

The notes on pages 13 to 23 form part of these financial statements.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £'000	2020 £'000
<b>Cash flows from operating activities</b>			
Cash generated by operations	16	-	-
<b>Net cash generated by operating activities</b>		-	-
Cash and cash equivalents at 1 January		-	-
<b>Cash and cash equivalents at 31 December</b>		-	-

The notes on pages 13 to 23 form part of these financial statements.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. General information**

The Company is a recruitment services organisation with offices in the UK.

The Company is a limited company which is incorporated and domiciled in the UK. The address of the registered office and principal place of business is 62 Queen Street, London, EC4R 1EB. The Company is limited by shares.

**2. Summary of significant accounting policies**

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

**2.1 Basis of preparation**

*(a) General information and statement of compliance with international accounting standards*

The financial statements of the Company have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention and going concern basis. The preparation of financial statements in conformity with international accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

*(b) New Standards adopted as at 1 January 2021*

Some accounting pronouncements which have become effective from 1 January 2021 and have therefore been adopted do not have a significant impact on the Company's financial results or position.

*(c) Standards that are not yet effective and have not been adopted early by the company*

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

**2.2 Going concern**

As at 31 December 2021 the Company had no borrowings. The Directors have prepared base case financial forecasts for the period ending 1 August 2023. Forecast stress testing has demonstrated that the Company could withstand both a material and prolonged decrease in revenue and not require any financial support. On this basis, the Directors have a reasonable expectation that the Company will have sufficient available resources to continue operating for at least 12 months from the approval date of these Financial Statements. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements. The company has been provided with a letter of support from its parent, PSD Group Limited.

**2.3 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2.4 Foreign currency translation**

*(a) Functional and presentation currency*

The financial statements are presented in pounds sterling (£), which is the Company's functional and presentation currency.

*(b) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

**2.5 Impairment of non-financial assets**

Assets that have an indefinite useful economic life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

**2.6 Financial assets and liabilities - recognition**

Under IFRS 9 there are three principal classification categories for financial assets: measured at amortised cost, Fair Value through OCI (FVOCI) and Fair Value through Profit & Loss. With respect to financial liabilities, the classification categories under IFRS 9 are measured at amortised cost or fair value through profit or loss (when they are held for trading).

Financial assets and liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Non-derivative financial instruments comprise trade debtors, cash and trade creditors.

Trade debtors and other debtors that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are recognised at fair value at initial recognition and subsequently measured at amortised cost using the effective interest method, less any impairment. See note 12 for further details.

Cash includes cash in hand and with banks.

Trade creditors are stated at amortised cost. Other financial liabilities are initially measured at fair value, net of transaction costs and subsequently measured at amortised costs. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. See note 13 for further details.

**2.7 Impairment of financial assets**

IFRS 9 applies an "expected credit loss" model for assessing asset impairment. For trade receivables the Company applied the IFRS 9 simplified approach. Cash and cash equivalents are held with a bank rated "A/Stable". Impairment of cash is based on the current default probability. Financial assets are initially measured at fair value. All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of financial assets.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2.8 Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

**2.9 Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Where the Company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled.

**2.10 Employee benefits**

The Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**2.11 Current and deferred income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2.12 Revenue recognition**

Revenue comprises the fair value of the sale of goods net of value added tax, rebates and discounts, and revenue is recognised as follows:

**(a) *Fee income***

Gross fee income is recognised at a point in time when the Group satisfies performance obligations by transferring the promised services to clients. Gross fee income is net of value added tax. Net fee income is derived by deducting from gross fee income direct costs including the cost of temporary staff placed with clients.

Gross fee income is recognised when the service has been provided based on periodic records approved by the client or achievement of pre-defined deliverables to the clients satisfaction. The transaction price is set by agreements or statements of work agreed with the client in advance.

**(b) *Interest income***

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**3. Financial risk management**

**3.1 Financial risk factors**

The Company's activities expose it to a variety of financial risks; market risk, credit risk and liquidity risk. The Company does not use derivative financial instruments to hedge risk exposures.

**a) Market risk**

*(i) Foreign exchange risk*

The principal foreign exchange risk is to the Euro. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Company seeks to minimise its exposure to foreign exchange risk and all cash balances in foreign currency that are not required for short term working capital monetary needs are converted into pounds.

*(ii) Price risk*

The Company does not routinely invest in equity securities and is not exposed to commodity price risk. At 31 December 2021 the Company did not have any significant exposure to price risk.

*(iii) Cash flow and fair value interest rate risk*

The Company has no significant interest bearing assets or liabilities and the Company's income and operating cash flows are substantially independent of changes in market interest rates.

**(b) Credit risk**

Credit risk arises from cash and deposits with banks as well as credit exposures to clients. The Company has no significant concentration of credit risk. It has policies and procedures in place, including the use of credit checks and credit limits to ensure that sales are made to customers with an appropriate credit history. The Company's principal banker is Barclays Bank PLC and substantially all the Company's cash, cash equivalents and deposits are placed with Barclays Bank PLC. At 31 December 2021 cash and deposits amounting to £Nil (31 December 2020: £Nil) were placed with Barclays Bank PLC.

**(c) Liquidity risk**

Effective liquidity risk management requires maintaining sufficient cash and credit facilities to meet the forecast cash requirements of the Company whilst maximising the rate of return on surplus cash. Management monitors rolling forecasts of the Company's liquidity reserves on the basis of expected cash flow. This is generally carried out at Company level based on monthly returns made by the Company's operating units.

**3.2 Capital risk management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain a capital structure appropriate to the nature of the business.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**4. Critical accounting judgments and estimates**

The preparation of financial statement requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying Company's accounting policies. Estimate and judges are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No judgements or estimates that have a significant effect on the amount recognised in the financial statements have been identified.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**5. Segmental analysis**

The chief operating decision-maker has been identified as the Board. This Board reviews the Company's internal reporting in order to assess performance and allocate resources, based upon operating profit. The Board considers that the business comprises one operating segment.

**6. Directors' remuneration**

The directors are employed by PSD Limited, a fellow subsidiary company, their services to the Company are of a non-executive nature and their emoluments are deemed to be wholly in respect of their services to those companies. Accordingly, the Company includes no emoluments in respect of them.

**7. Staff costs**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	<b>111</b>	<b>172</b>
Social security costs	<b>10</b>	<b>19</b>
	<b>121</b>	<b>191</b>

All staff are employed by the parent company PSD Limited and these costs have been recharged to Hoggett Bower Interim Management Limited based on which company has benefited from their work. The costs recharged relate to an average of 2 employees during the year (2020: 2 employees). All the staff are considered to be administrative.

During the year ended 31 December 2021 the Group received £Nil from the Coronavirus Job Retention Scheme (2020: £175,000), of which £Nil (2020: £5,000) related to the Company and has credited against the wages and salaries cost in these accounts.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**8. (Loss)/Profit before income tax**

	<b>2021</b>	2020
	<b>£'000</b>	£'000
(Loss)/profit before taxation is stated after charging:		
Auditor's remuneration	<b>3</b>	3
Foreign exchange gain	-	-

**9a. Analysis of the tax charge for the year**

The tax charge arises from continuing operations and is made up as follows

	<b>2021</b>	2020
	<b>£'000</b>	£'000
Tax on (loss)/profit on ordinary activities	-	-

**9b. Factors affecting the tax charge for the year**

The tax assessed on the profit on ordinary activities for the year is lower than (2020: higher than) the standard rate of corporation tax in the UK 19.0% (2020: 19.0%). The difference is reconciled as follows:

	<b>2021</b>	2020
	<b>£'000</b>	£'000
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2020: 19.0%)	-	4
Group relief claimed	-	(4)
	-	-

**10. Finance income/(costs)**

	<b>2021</b>	2020
	<b>£'000</b>	£'000
Interest payable to Group undertakings	-	(2)
Interest and similar charges payable	-	(2)
Interest receivable from Group undertakings	<b>2</b>	-
Interest and similar income receivable		
<b>Finance income/(costs)</b>	<b>2</b>	<b>(2)</b>

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**11. Financial assets and liabilities**

	Notes	2021 £'000	2020 £'000
Financial assets			
Loans and receivables:			
Trade and other receivables	12	152	193
		152	193
Financial liabilities			
Financial liabilities measured at amortised cost:			
Trade and other payables	13	83	56
		83	56

**12. Trade and other receivables**

	2021 £'000	2020 £'000
Trade receivables	104	193
Amounts owed by Group undertakings	48	-
Accrued income	9	21
	161	214

Trade and other receivables balances equal their carrying balances as the impact of discounting is not significant.

Amounts owed by Group undertakings are payable on demand.

As at 31 December 2021, no trade receivables were impaired (2020: £Nil).

The maximum exposure to credit risk at the reporting date is the fair value of each days of receivables mentioned above. The Company does not hold any collateral as security.

**13. Trade and other payables – current**

	2021 £'000	2020 £'000
Trade and other payables	-	2
Amounts owed to Group undertakings	80	54
Other taxes and social security	3	-
Accruals	7	39
	90	95

Amounts owed to Group undertakings are payable on demand.

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**14. Share capital**

	2021 £	2020 £
<b>Allotted, called up and fully paid:</b>		
2 Ordinary shares of £1 each	2	2

**15. Reserves**

The reserves of the Company include retained earnings of £71,000 (2020: £119,000) representing the cumulative profits of the Company.

**16. Reconciliation of profit before tax to cash generated by operations**

	2021 £'000	2020 £'000
(Loss)/profit before income tax	(48)	22
<i>Adjustments for:</i>		
Effect of prior year restatement on reserves (note 5)	-	69
<i>Items settled via intercompany</i>		
Dividend declared to parent company	-	-
Tax payments	-	-
<i>Changes in working capital:</i>		
Decrease in trade and other receivables	53	126
(Decrease) in trade and other payables	(5)	(217)
<b>Cash generated by operations</b>	-	-

**HOGGETT BOWERS INTERIM MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**17. Related party transactions**

During the year ended 31 December 2021, administrative expenses of £204,000 were recharged from PSD Limited. All of these recharges are accounted for in the intercompany with the immediate parent company PSD Limited.

Costs accrued or paid that directly relate to a client service employee are apportioned between the group companies based on the revenue each employee has generated. Other costs that offer benefits to the whole group are apportioned between the group companies based on the number of client service employees.

At 31 December 2021 Hoggett Bowers Interim Management Limited owed £80,000 (2020: £54,000) to the parent company PSD Limited and was due £48,000 (2020: £Nil) from PSD Contracts Limited, company under common control. These balances are the net result of both parties settling liabilities due by, and receiving settlement for debts due to, the other parties.

Offerco Limited, is a company controlled by Mr P Hearn. Mr Hearn is also a director of PSD Group Limited. For the year ended 31 December 2021 directors fees were charged by OPD Group Limited, a subsidiary of Offerco Limited, for the services of Mr Hearn amounting to £30,000 (2020: £30,000). Of this, £1,000 (2020: £1,000) was recharged to Hoggett Bowers Interim Management Limited during the year and included in administrative expenses on the Statement of comprehensive income. At the end of the year the £30,000 (2020: £30,000) was outstanding and is to be settled by PSD Group Limited.

**18. Ultimate parent undertaking**

The ultimate parent undertaking and controlling party of the company is PSD Group Limited, a private company incorporated in England. The smallest and largest group producing accounts into which the results of the company for the year ended 31 December 2021 are consolidated is PSD Group Limited. The accounts of the Group are available from Companies House.

**19. Events after the reporting date**

No adjusting or significant non-adjusting events have occurred between the 31 December reporting date and the date of authorisation.

**20. Guarantees**

The company has provided a guarantee in favour of other UK Group companies to Barclays Bank PLC in relation to a Composite Accounting Agreement in place.