

Registered number: 07462194

# **6CATS INTERNATIONAL LTD.**

## **ANNUAL REPORT**

**FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

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**6CATS INTERNATIONAL LTD.**

**COMPANY INFORMATION**

**Directors**

M Reilly  
J H Hoskin (appointed 25 January 2022)  
K M Missah (appointed 25 January 2022)  
A Dunn  
S Cook

**Registered number**

07462194

**Registered office**

1-3 Sun Street  
London  
EC2A 2EP

**Independent auditors**

Cooper Parry Group Limited  
Statutory Auditor  
Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA

**6CATS INTERNATIONAL LTD.**

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## **6CATS INTERNATIONAL LTD.**

### **STRATEGIC REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

#### **Introduction**

The directors present the strategic report for the 9 month period ended 30 September 2022.

#### **Business review**

The principal activity of the company is to provide compliance advice and contractor management solutions to contractors working internationally and to those recruitment agencies who place said contractors. The results for the year and the financial position of the company are shown in the annexed financial statements. The company and its subsidiaries were acquired by JSA Services Limited in January 2022.

#### **Principal risks and uncertainties**

The principal risk and uncertainty faced by the company is the regulatory risk relating to changes to employment and tax legislation in each of the jurisdictions in which its contractors operate. The company is committed to responding positively and proactively to changes in legislation, although changes could adversely impact the resources within the business.

Other uncertainties are the impact that further pandemics or conflicts in Europe, or on a wider scale, might have. These risks are necessarily extremely difficult to quantify but the experience that the 6CATS team have garnered in the past two years will, we believe, significantly mitigate these.

The company is also exposed to foreign currency risk, and operates across a wide range of international currencies. The company manages its exposure by using foreign currency accounts. Credit risk is the risk that customers or counterparties will not be able to meet their obligations to the company. Policies are aimed at minimising such risk and possible losses.

Liquidity risk is the risk that the company will be unable to meet its financial obligations as they fall due. The company ensures that sufficient liquid assets are available on a day-to-day basis to meet cash flow requirements.

#### **Future developments**

The company's strategic objectives remain unchanged, principally to continue to grow the business across the EMEA region and potentially further afield where client demand supports this. We will continue to develop additional service lines and functionality, whilst investing in technology to improve growth opportunities and make processes more scalable to support that growth.

#### **Financial key performance indicators**

The company monitors a range of financial metrics including gross fee income and the average revenue per contractor generated.

#### **Other key performance indicators**

The company also monitors the active number of contractors paid in each period. The board are investing further in scalable enterprise systems to further enhance the management information available as the business continues to grow.

6CATS INTERNATIONAL LTD.

STRATEGIC REPORT (CONTINUED)  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Directors' statement of compliance with duty to promote the success of the company

The Directors are aware of their duty under s172 of the Companies Act in the way which they consider, in good faith, would be the most likely to promote the success of the Company for the benefit of its shareholders, which includes having regard to other stakeholders.

The Board considers it crucial that the Company maintains a reputation for high standards of business conduct, and is responsible for setting, upholding, and monitoring the culture, values and reputation of the Company. Management drives the embedding of the desired culture throughout the organisation. The Board looks to balance the needs of its members with the s172 matters throughout the year, for example, in the policies and practices which run through the Company, to ensure that our obligations to our shareholders, employees, suppliers and others are met.

Consideration	Outcome/Impact
Employees Employees are the most valuable assets of the Company. Our people's commitment is essential for us to deliver our vision.	The Directors engage with all staff on a bi-monthly basis with a company wide communications and Q&A session to ensure that all relevant issues are shared. We are committed to recruiting, training and retaining the best talent we can find. We set strict selection procedures and have standards in place to ensure non discrimination in our employment policy. Local management strive to make the office environment a fun and productive place to work, with various employee motivational events taking place.
Customers Consider the impact on customers, whether contractor, agency or end hirer, from the advice and services we provide. Adherence to compliant products and services is critical to the long term success of the Company and its customers.	The strict adherence to company policies and operating processes ensures a commitment to doing the right thing and not the easy thing. Senior management lead by example, and have a history of turning business away where it cannot be completed in a fully compliant and transparent manner. The Company is not in a regulated industry, but works closely with reputable industry bodies, notably APSCO, and provides the expertise for their international help desk.
Shareholders The Company was acquired by the shareholders of JSA Services Ltd, and the Board now have a view on the risk profile and governance obligations of the wider group.	The risk profile and operating basis of the Company remains largely unchanged, as the governance ethos reflects the requirements of the wider JSA Group. Management attend regular Operating Board meetings, and there is now significant cross company engagement across sales, finance, technology and operations to ensure alignment and best practice is shared where relevant.

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

DocuSigned by:  
  
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M Reilly  
Director

Date: 26 April 2023

## **6CATS INTERNATIONAL LTD.**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

The directors present their report and the financial statements for the period ended 30 September 2022.

#### **Directors' responsibilities statement**

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

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

#### **Results and dividends**

The profit for the period, after taxation, amounted to £651,897 (2021 - £414,411).

Ordinary dividends were paid amounting to £Nil (2021: £144,000).

#### **Directors**

The directors who served during the period were:

M Reilly  
J H Hoskin (appointed 25 January 2022)  
K M Missah (appointed 25 January 2022)  
A Dunn  
S Cook

#### **Engagement with employees**

During the year, the policy of providing employees with information about the company has continued through regular meetings.

#### **Engagement with suppliers, customers and others**

The company recognises the importance of regular dialogue and communication with stakeholders to assist with principal decision making. Regular meetings are held with existing and prospective suppliers and customer throughout the period.

**6CATS INTERNATIONAL LTD.**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

**Disclosure of information to auditors**

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

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

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

DocuSigned by:

*Michelle Reilly*

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**M Reilly**  
Director

Date: 26 April 2023

**6CATS INTERNATIONAL LTD.****INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 6CATS INTERNATIONAL LTD.****Opinion**

We have audited the financial statements of 6CATS International Ltd. (the 'company') for the period ended 30 September 2022, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

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

We have nothing to report in this regard.



**6CATS INTERNATIONAL LTD.**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 6CATS INTERNATIONAL LTD.  
(CONTINUED)**

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Directors' Report for the financial period 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.

**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 Strategic Report or the Directors' Report.

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

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

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**6CATS INTERNATIONAL LTD.****INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 6CATS INTERNATIONAL LTD.  
(CONTINUED)****Auditors' responsibilities for the audit of the financial statements**

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

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:

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

We are not responsible for preventing irregularities. 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 with 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;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; 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 and understanding of how fraud might occur, by:
  - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
  - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- To address the risk of fraud through management bias and override of controls, we:
  - tested journal entries to identify unusual transactions;
  - assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias, which includes recoverability of trade debtors and completeness of provisions;
  - investigated the rationale behind significant or unusual transactions; and
  - reviewing breakdowns of certain nominal codes for indication of any management override.
- 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 statements disclosures to underlying supporting documentation;
  - reading the minutes of meetings of those charged with governance;
  - enquiring of management as to actual and potential litigation and claims;
  - reviewing correspondence with HMRC and associated parties.

**6CATS INTERNATIONAL LTD.**

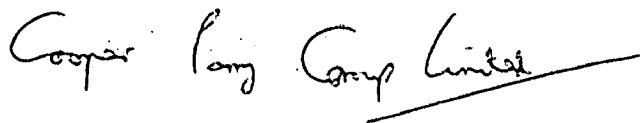
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 6CATS INTERNATIONAL LTD.  
(CONTINUED)**

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. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

**Use of our report**

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



Lewis Aldridge (Senior Statutory Auditor)

for and on behalf of  
**Cooper Parry Group Limited**

Statutory Auditor

Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA  
Date: 26 April 2023

## 6CATS INTERNATIONAL LTD.

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Note	9 months ended 30 September 2022 £	12 months ended 31 December 2021 £
<b>Turnover</b>	2,4	59,275,181	63,032,816
Cost of sales		(57,106,226)	(60,673,501)
<b>Gross profit</b>		<u>2,168,955</u>	<u>2,359,315</u>
Administrative expenses		(1,356,513)	(1,847,696)
<b>Operating profit</b>	5	<u>812,442</u>	<u>511,619</u>
Tax on profit	8	(160,545)	(97,208)
<b>Profit for the financial period</b>		<u><u>651,897</u></u>	<u><u>414,411</u></u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.


The notes on pages 12 to 20 form part of these financial statements.

**6CATS INTERNATIONAL LTD.**  
**REGISTERED NUMBER: 07462194**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2022**

	Note	30 September 2022 £	31 December 2021 £
<b>Fixed assets</b>			
Investments	10	100,729	100,729
		<u>100,729</u>	<u>100,729</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	8,483,489	6,055,105
Cash at bank and in hand		2,568,852	2,240,956
		<u>11,052,341</u>	<u>8,296,061</u>
<b>Creditors: amounts falling due within one year</b>	12	(9,999,810)	(7,895,427)
<b>Net current assets</b>		<u>1,052,531</u>	<u>400,634</u>
<b>Net assets</b>		<u><u>1,153,260</u></u>	<u><u>501,363</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	100	100
Profit and loss account	14	1,153,160	501,263
		<u><u>1,153,260</u></u>	<u><u>501,363</u></u>

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

DocuSigned by:  
  
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**M Reilly**  
 Director

Date: 26 April 2023

The notes on pages 12 to 20 form part of these financial statements.

**6CATS INTERNATIONAL LTD.****STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2022	100	501,263	501,363
Profit for the period	-	651,897	651,897
<b>At 30 September 2022</b>	<u>100</u>	<u>1,153,160</u>	<u>1,153,260</u>

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

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2021	100	230,852	230,952
Profit for the year	-	414,411	414,411
Dividends paid	-	(144,000)	(144,000)
<b>At 31 December 2021</b>	<u>100</u>	<u>501,263</u>	<u>501,363</u>

The notes on pages 12 to 20 form part of these financial statements.

**6CATS INTERNATIONAL LTD.****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022****1. General information**

6CATS International Ltd. (the 'company') is a private company limited by shares incorporated in England and Wales. The registered office is 1-3 Sun Street, 1st Floor, London, EC2A 2EP.

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

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The financial statements are prepared in Sterling (£) which is the functional currency of the company. The financial statements are for the 9 months period ended 30 September 2022 (2021: 12 months period ended 31 December 2021).

The following principal accounting policies have been applied:

**2.2 FRS 102 - reduced disclosure exemptions**

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

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

This information is included in the consolidated financial statements of JSA Newco Limited as at 28 September 2022 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

**2.3 Exemption from preparing consolidated financial statements**

The company is a parent company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

**2.4 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

## 6CATS INTERNATIONAL LTD.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

## 2. Accounting policies (continued)

### 2.5 Foreign currency translation

#### Functional and presentation currency

The company's functional and presentational currency is GBP.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

### 2.6 Turnover

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

#### Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

### 2.7 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

### 2.8 Taxation

Tax is recognised in Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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



**6CATS INTERNATIONAL LTD.****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022****2. Accounting policies (continued)****2.9 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.10 Financial instruments**

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

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

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

**2.11 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

The preparation of the financial statements in conformity with FRS 102 requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of turnover and expenses during the reporting period. The directors are also required to exercise judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

**Recoverability of trade debtors**

Trade and other debtors are recognised to the extent that they are judged recoverable. Management reviews are performed to estimate the level of provision required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

**Provisions**

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Whether a present obligation is probable or not requires judgement. The nature of type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not. External advice is sought where appropriate.

**6CATS INTERNATIONAL LTD.****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022****4. Turnover**

The whole of the turnover is attributable to the one principal activity of the company.

	9 months ended 30 September 2022 £	12 months ended 31 December 2021 £
Contractor management services	59,275,181	63,032,816
	<u>59,275,181</u>	<u>63,032,816</u>

All turnover arose within the rest of Europe excluding the United Kingdom.

**5. Operating profit**

The operating profit is stated after charging:

	9 months ended 30 September 2022 £	12 months ended 31 December 2021 £
Exchange differences	(139,558)	20,792
Other operating lease rentals	51,471	62,906
	<u>51,471</u>	<u>62,906</u>

**6. Auditors' remuneration**

	9 months ended 30 September 2022 £	12 months ended 31 December 2021 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	17,500	7,100
	<u>17,500</u>	<u>7,100</u>

**Fees payable to the company's auditor and its associates in respect of:**

Taxation compliance services	-	750
Other services relating to taxation	-	16,050
	<u>-</u>	<u>16,800</u>

## 6CATS INTERNATIONAL LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

## 7. Employees

Staff costs were as follows:

	9 months ended 30 September 2022 £	12 months ended 31 December 2021 £
Wages and salaries	56,826,588	60,673,501
	<u>56,826,588</u>	<u>60,673,501</u>

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

	9 months ended 30 September 2022 No.	12 months ended 31 December 2021 No.
Admin staff	1	1
Contractors	1,045	724
	<u>1,046</u>	<u>725</u>

Directors are remunerated via other group companies.

## 6CATS INTERNATIONAL LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

## 8. Taxation

	30 September 2022 £	31 December 2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	160,545	97,208
<b>Total current tax</b>	<u>160,545</u>	<u>97,208</u>

**Factors affecting tax charge for the period/year**

The tax assessed for the period/year is higher than (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	30 September 2022 £	31 December 2021 £
Profit on ordinary activities before tax	<u>812,442</u>	<u>511,619</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	154,364	97,208
<b>Effects of:</b>		
Other differences leading to an increase in the tax charge	7,131	-
Group relief	(950)	-
<b>Total tax charge for the period/year</b>	<u>160,545</u>	<u>97,208</u>

**Factors that may affect future tax charges**

On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023. This was substantively enacted on 24 May 2021.

## 9. Dividends

	30 September 2022 £	31 December 2021 £
Dividends paid	-	144,000
	<u>-</u>	<u>144,000</u>

## 6CATS INTERNATIONAL LTD.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

## 10. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 January 2022	100,729
At 30 September 2022	<u>100,729</u>

## Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
6CATS AB	400 14 Goteburg, Sweden	Ordinary	100%
6CATS Germany GMBH	Trogerstasse 23, 81675 Munchen	Ordinary	100%
6CATS Norway Ltd	4th Floor Radius House, 51 Clarendon Road, Watford, Hertfordshire, England, WD17 1HP	Ordinary	100%
6CATS BV	Zwarteweg 149, 1431VL Aalsmeer, Netherlands	Ordinary	100%
6CATS Management Services Ltd	The Black Church, St Mary's Place, Dublin 7	Ordinary	100%

## 11. Debtors

	30 September 2022 £	31 December 2021 £
Trade debtors	1,435,482	419,240
Amounts owed by group undertakings	209,284	371,232
Other debtors	21,591	69,765
Prepayments and accrued income	6,817,132	5,194,868
	<u>8,483,489</u>	<u>6,055,105</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## 6CATS INTERNATIONAL LTD.

**NOTES TO THE FINANCIAL STATEMENTS  
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**12. Creditors: Amounts falling due within one year**

	30 September 2022 £	31 December 2021 £
Trade creditors	508,059	90,788
Amounts owed to group undertakings	-	218,714
Corporation tax	194,020	46,879
Other taxation and social security	1,559,385	1,697,157
Other creditors	-	85,002
Accruals and deferred income	7,738,346	5,756,887
	<u>9,999,810</u>	<u>7,895,427</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**13. Share capital**

	30 September 2022 £	31 December 2021 £
<b>Allotted, called up and fully paid</b>		
100 (2021 - 100) Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

**14. Reserves****Profit and loss account**

This reserve includes all current and prior period retained profit and losses.

**15. Contingent liabilities**

The directors take advice as to the likelihood of success of claims and actions against the company and no provision is made where the directors consider, based on that advice, that the action is unlikely to result in a liability of the company.

6CATS International Ltd. forms part of the banking cross guarantee between the JSA group companies. Security is provided by way of a legal charge over the assets of the group relating to loan notes made to JSA Services Limited. The amounts due as of 28 September 2022 totaled £21,875,000.

**6CATS INTERNATIONAL LTD.****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2022****16. Commitments under operating leases**

At 30 September 2022 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	30 September 2022 £	31 December 2021 £
Not later than 1 year	51,469	68,625
Later than 1 year and not later than 5 years	17,156	68,625
	<u>68,625</u>	<u>137,250</u>

**17. Related party transactions**

As the company is a wholly owned subsidiary of a company whose consolidated accounts include the results of the subsidiary and are publicly available, the company has taken advantage of FRS 102 section 33.1A exemption from disclosing transactions with group undertakings where 100% of the voting rights are held within the group.

**18. Controlling party**

The company's ultimate parent undertaking is Universal Partners Limited, a company registered in Mauritius and listed on the Mauritius and Johannesburg stock exchanges.

The company's immediate parent undertaking is 6CATS Group Ltd, a company registered in England and Wales.

JSA Services Limited is the smallest company and JSA Newco Limited is the largest company for which consolidated accounts are prepared. Both JSA Services Limited and JSA Newco Limited are companies registered in England and Wales. A copy of the consolidated financial statements can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.