

Company registration number: 04526207

**RIG Medical Recruit Limited**

**Directors' report and financial statements**

**Period ended 31 December 2021**



Baroness Williams of Trafford  
 The Secretary, Labour Party Headquarters,  
 107, Piccadilly, London W1A 3AX

## **RIG Medical Recruit Limited**

### **Directors' report and financial statements**

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## **RIG Medical Recruit Limited**

### **Directors and other information**

**Directors**  
A Heraty  
L Conn  
A Khan (resigned 26 September 2022)  
R Bryan  
G Hall (appointed 26 March 2021)

**Company number** 04526207

**Registered office**  
Northside House  
69 Tweedy Road  
Bromley  
Kent  
BR1 3WA  
England

**Auditor**  
KPMG  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
D02 DE03

**Bankers**  
Barclays  
4<sup>th</sup> Floor, Apex Plaza  
Forbury Road  
Reading  
RG1 1AX

## **RIG Medical Recruit Limited**

### **Strategic report**

#### **Principal activities**

The principal activity of the Company in the period under review was that of placement and employment of staff within the healthcare sector.

#### **Business review**

RIG Medical Recruit Ltd is a leading healthcare recruitment company in the UK, with a focus on contract and permanent placements in nursing, speech & language therapy, occupational therapy, diagnostic radiography, and physiotherapy.

Trading has continued to be challenging during the year and despite the lifting of Covid travel restrictions, we have not yet seen the return of overseas Health workers to the UK in any significant numbers and this has impacted our placement numbers. However, tight cash controls have also once again meant to the company ended the year with a positive cash balance and no bank borrowings.

The results of the Company for the year are set out in the statement of profit and loss account and other comprehensive income and balance sheet on pages 10 and 11 respectively and in the related notes.

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

##### *Interest rates*

The Company uses various sources of funds, such as loans and invoice discounting. The main purpose is to raise finance for the Company's operations. The existence of these sources of funding exposes the Company to interest rate risks. However, the Company is not highly geared and could therefore withstand a significant increase in interest rates.

##### *Fluctuations in currency exchange rates*

The Company is exposed to foreign currency fluctuations. The group manages its foreign exchange exposure on a net basis and maintains foreign currency bank accounts to receive cash and transfers funds into its GBP account at favourable rates to reduce the exposure.

##### *Liquidity risk*

The Company actively maintains an appropriate level of liquidity through a suitable amount of cash in hand and an invoice financing facility that is monitored daily. Rig Medical Recruit Ltd is also a subsidiary of a much larger and successful Group: Cpl Resources Limited, and therefore has access to additional intercompany funding should it be required.

##### *Credit risk*

The Company's principal financial assets are cash and trade debtors. To manage credit risk all customers are credit checked on a regular basis. Debtor ageing reports are reviewed weekly by the management team and by the board of the company. In addition, most of RIG Medical Recruit's customers are NHS Trusts which are funded and supported by the UK Government and are therefore very low risk.

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

The directors use the following key performance indicators to assess the performance of the Company:

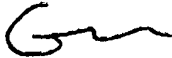
- Contract Net Fee Income (NFI), being the net revenue after deducting direct costs,
- Conversion of NFI to EBITDA,
- Sales, NFI and Earnings Before Interest and Tax (EBIT) growth versus prior year.
- EBIT and EBIT margin.

## **RIG Medical Recruit Limited**

### **Outlook and strategy**

While we have not yet seen the return of overseas Health workers in significant numbers, we expect this situation to change in 2022. We are now seeing more enquiries from candidates in Australia and New Zealand and therefore expect to source and place more of these candidates in 2022. In addition, we are also looking at new locations across the world to source candidates. This, along with tight cost controls should see the company return to profitability in 2022.

On behalf of the board



Glen Hall  
*Director*

29<sup>th</sup> September 2022

## **RIG Medical Recruit Limited**

### **Directors' report**

The directors present their Directors' report and the financial statements of the Company for the period ended 31 December 2021.

#### **Principal activity and future developments**

The Company, which is a majority owned subsidiary of Cpl Resources Limited (91%), Aftab Khan (7%) and Robert Bryan (2%), is involved in the sourcing and placement of staff, principally with a medical background. The directors are satisfied with the performance of the Company and it is the intention of the directors to continue to develop the activities of the Company.

#### **Results for the period**

The results of the Company for the period are set out in the statement of profit and loss account and other comprehensive income and balance sheet on pages 10 and 11 respectively and in the related notes.

#### **Directors**

The Directors during the period were Anne Heraty, Lorna Conn, Aftab Khan (resigned 26 September 2022), Robert Bryan and Glen Hall (appointed 26 March 2021).

There was a termination of appointment of Tughans Company Secretarial Limited as a secretary on 31 March 2021.

#### **Dividends**

The directors do not recommend payment of a dividend (2020: £Nil).

#### **Political and charitable contributions**

The Company made no political or charitable donations or incurred any political expenditure during the period (2020: £Nil).

#### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware:

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

#### **Auditor**

Pursuant to Section 487 of the Companies Act 2006 the auditor, KPMG, Chartered Accountants, will be deemed to be reappointed and therefore will continue in office

On behalf of the board

  
Glen Hall  
Director

RIG Medical Recruit Ltd  
Northside House  
69 Tweedy Road  
Bromley  
Kent  
BR1 3WA

29<sup>th</sup> September 2022

**RIG Medical Recruit Limited**

**Statement of Directors' responsibilities in respect of the strategic report, Directors' report and the financial statements**

The Directors are responsible for preparing the Directors' strategic 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 they have elected to prepare the financial statements in accordance with FRS 101 *Reduced Disclosure Framework*.

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 the period ended 31 December 2021. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

On behalf of the board



Glen Hall  
Director

29<sup>th</sup> September 2022





KPMG  
Audit  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
D02 DE03  
Ireland

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIG MEDICAL RECRUIT LIMITED**

### **Report on the audit of the financial statements**

#### ***Opinion***

We have audited the financial statements of RIG Medical Recruit Limited ("the Company") for the 18-month period ended 31 December 2021 set out on pages 10 to 24, which comprise the statement of profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and *FRS 101 Reduced Disclosure Framework*.

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 loss for the period then ended;
- the financial statements have been properly prepared in accordance with *FRS 101 Reduced Disclosure Framework*; and
- the financial statements 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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***

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIG MEDICAL RECRUIT LIMITED (continued)**

### **Report on the audit of the financial statements (continued)**

#### ***Conclusions relating to going concern (continued)***

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 the date 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.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

#### ***Detecting irregularities including fraud***

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIG MEDICAL RECRUIT LIMITED (continued)**

### **Report on the audit of the financial statements (continued)**

#### ***Detecting irregularities including fraud (continued)***

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### ***Other information***

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

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

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

#### ***Matters on which we are required to report by exception***

Under the Companies Act 2006 we are required 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

We have nothing to report in these respects.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIG MEDICAL RECRUIT LIMITED (continued)**

### **Report on the audit of the financial statements**

#### **Respective responsibilities and restrictions on use**

##### ***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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 fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

##### ***The purpose of our audit work and to whom we owe our responsibilities***

Our 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.

**Colm O'Sé Senior Statutory Auditor  
for and on behalf of  
KPMG Statutory Auditor  
1 Stokes Place  
St. Stephens Green  
Dublin 2  
D02 DE03**

**29<sup>th</sup> September 2022**

# **RIG Medical Recruit Limited**

## **Statement of profit and loss account and other comprehensive income** *for the period ended 31 December 2021*

	<b>Note</b>	<b>Period ended 31 December 2021</b>	<b>Year ended 30 June 2020</b>
		<b>£'000</b>	<b>£'000</b>
<b>Turnover</b>	<b>2</b>	<b>21,206</b>	<b>19,888</b>
Cost of sales		<b>(16,856)</b>	<b>(15,556)</b>
		<hr/>	<hr/>
<b>Gross profit</b>		<b>4,350</b>	<b>4,332</b>
Distribution costs		<b>(58)</b>	<b>(51)</b>
Administrative expenses		<b>(5,001)</b>	<b>(4,307)</b>
		<hr/>	<hr/>
<b>(Loss) on ordinary activities before taxation</b>		<b>(709)</b>	<b>(26)</b>
		<hr/>	<hr/>
<b>Operating (loss)</b>		<b>(709)</b>	<b>(26)</b>
Interest payable and similar expenses	<b>5</b>	<b>(40)</b>	<b>(79)</b>
		<hr/>	<hr/>
<b>(Loss) before taxation</b>		<b>(749)</b>	<b>(105)</b>
Tax credit on ordinary activities	<b>6</b>	<b>(35)</b>	<b>29</b>
		<hr/>	<hr/>
<b>(Loss) for the financial period/year</b>		<b>(784)</b>	<b>(76)</b>
		<hr/>	<hr/>
<b>Total comprehensive (loss) for the period/year</b>		<b>(784)</b>	<b>(76)</b>
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form an integral part of the financial statements.

**RIG Medical Recruit Limited****Balance sheet  
as at 31 December 2021**

	Note	31 December 2021 £'000	30 June 2020 £'000
<b>Fixed assets</b>			
Intangible assets	7	-	13
Tangible assets	8	73	140
Right of use asset	9	869	1,053
		<hr/>	<hr/>
		942	1,206
<b>Current assets</b>			
Debtors	10	2,662	3,408
Cash at bank and in hand		499	33
		<hr/>	<hr/>
		3,161	3,441
<b>Creditors: amounts falling due within one year</b>	11	(3,264)	(2,844)
		<hr/>	<hr/>
<b>Net Current (Liabilities)/Assets</b>		(103)	597
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		839	1,803
<b>Creditors: amounts falling due more than one year</b>	12	(766)	(946)
		<hr/>	<hr/>
<b>Net assets</b>		73	857
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	14	20	20
Share premium		381	381
Profit and loss account		(328)	456
		<hr/>	<hr/>
<b>Shareholders' funds</b>		73	857
		<hr/>	<hr/>

The accompanying notes form an integral part of the financial statements.

These financial statements were approved by the board of Directors on 29<sup>th</sup> September 2022 and were signed on its behalf by:



Glen Hall  
Director

Company registered number: 04526207

**RIG Medical Recruit Limited****Statement of changes in equity**  
*for the period ended 31 December 2021*

	<b>Called up share capital £'000</b>	<b>Profit and loss account £'000</b>	<b>Share premium £'000</b>	<b>Total £'000</b>
<b>At 1 July 2019</b>	20	532	381	933
Loss for the year		(76)		(76)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 30 June 2020</b>	20	456	381	857
Loss for the period	-	(784)	-	(784)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2021</b>	<b>20</b>	<b>(328)</b>	<b>381</b>	<b>73</b>
	<hr/>	<hr/>	<hr/>	<hr/>

The accompanying notes form an integral part of the financial statements.

## **RIG Medical Recruit Limited**

### **Notes forming part of the financial statements**

#### **1. Accounting policies**

RIG Medical Recruit Limited ("the Company") is a private limited company incorporated, domiciled and registered in the United Kingdom. The Company's registered office is Northside House, 69 Tweedy Road, Bromley, Kent, BR1 3WA, England and the registered number is 04526207.

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

In preparing these financial statements, the Company applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

#### **Going concern**

The financial statements are prepared on a going concern basis, which the directors believe to be appropriate. The company has net assets and net current assets. The directors have assessed the financial and operational requirements of the company and having undertaken this review, the directors have a reasonable expectation that the company has adequate resources to fund its operations for the foreseeable future and in particular for the period of at least 12 months from the date of approval of the financial statements.

#### **Disclosure exemptions**

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

- a cash flow statement and related notes;
- disclosures in respect of the compensation of key management personnel;
- disclosures in respect of transactions with wholly owned subsidiaries; and
- the effects of new but not yet effective IFRSs.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### **Measurement convention**

These Accounts have been prepared under the historical cost convention and where material modified to account for the revaluation of property, plant and equipment and intangible assets at their value to the business by reference to their current costs.

#### **Use of estimates and judgements**

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Management discussed with the Audit Committee the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

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.

Particular areas which are subject to accounting estimates and judgements in these financial statements are the recoverability of trade receivables and accrued income, the recognition of revenue arising from temporary and permanent placements, and accruals.



## **RIG Medical Recruit Limited**

### **Notes forming part of the financial statements (continued)**

#### **1. Accounting policies (continued)**

##### **Consolidation**

The Company is a subsidiary of Cpl Resources Limited, a Company operating at 83 Merrion Square Dublin 2 D02 R299, whose consolidated financial statements in which the results of the Company are consolidated are available from the Companies Registration Office, Bloom House, Gloucester Place Lower, Dublin 1. Cpl Resources was acquired by Outsourcing Inc on 21 January 2021 which is now the Company's ultimate parent undertaking.

##### **Revenue recognition**

A comprehensive review of the contracts that exist across the Company's revenue streams has been completed in order to understand the impact of IFRS 15 on our revenue recognition policies. Our Flexible Talent division revenue is recognised when the related hours have been worked. This policy is in line with the policy under IFRS15 whereby the contract obligations are settled over time and revenue is recognised in tandem with this. Revenue in respect of permanent placements is recognised when the candidate commences employment. This revenue is also unaffected by IFRS 15 as we have always recognised revenue once a performance obligation has been delivered i.e. at a point in time.

##### **Taxation**

The income tax expense comprises current and deferred tax. It is recognised in the statement of Profit & Loss and other comprehensive income except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: those differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognised to the extent that it is probable future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**1. Accounting policies (continued)**

**Leases**

As a lessee, the Company leases assets such as land and buildings. Under IFRS 16, the Company recognises right-of-use assets and lease liabilities for these leases. At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains a lease, if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognises a right-of-use asset and a lease liability at the lease commencement date which is the date at which the asset is made available for use by the Company. The right-of-use asset is initially measured at cost and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, restoration costs and lease payments at or before the commencement date less any lease incentives received. The right-of-use asset is depreciated on a straight line basis over the shorter of its estimated useful life and the lease term. Where the lease contains a purchase option the asset is written off over the useful life of the asset when it is reasonably certain that the purchase option will be exercised. Right-of-use assets are subject to impairment testing. The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate known at the commencement date, payments for a purchase option, payments for an optional renewal period and termination option payments if the Company is reasonably certain to exercise those options. The lease term is the noncancellable period of the lease adjusted for any renewal or termination options which are reasonably certain to be exercised. Management applies judgment in determining whether it is reasonably certain that a renewal or termination option will be exercised. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs. The Company has elected to avail of the practical expedient not to separate lease components from any associated non-lease components. Lease liabilities are included in borrowings. The lease payments are discounted using the lessee's incremental borrowing rate as the interest rate implicit in the lease is generally not readily determinable. Incremental borrowing rates are determined using a build-up approach that uses externally benchmarked information adjusted to take consideration of the lessee's risk profile and the specific lease characteristics. These characteristics include the type of leased asset, the term of the lease and the currency of the lease. After the commencement date, the lease liability is measured at amortised cost using the effective interest method. It is remeasured if there is a modification, a change in future lease payments arising from a change in an index or rate, or if the Company changes its assessment of whether it is reasonably certain to exercise an option within the contract. The Company has elected to apply the recognition exemptions for short-term and low-value leases and recognises the lease payments associated with these leases as an expense in the Company Statement of Comprehensive Income on a straight-line basis over the lease term. Short-term leases are leases with a lease term of 12 months or less. Low-value leases comprise of motor vehicles.

## **RIG Medical Recruit Limited**

### **Notes forming part of the financial statements (continued)**

#### **1. Accounting policies (continued)**

##### **Foreign currency**

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

##### **Tangible assets and depreciation**

Tangible assets are stated at cost less accumulated depreciation. Depreciation is provided on a straight-line basis to write off the cost less estimated residual values of tangible fixed assets over their estimated useful life as follows:

	<b>Years</b>
Equipment	5
Fixtures and fittings	5
Plant and machinery	5

##### **Basic financial instruments**

##### **Trade receivables and contract assets**

IFRS 9 prescribes an 'expected credit loss' (ECL) model for determining the basis of providing for bad debts.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permit the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles of sales and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors if there is evidence to suggest that these factors affect the ability of the customer to settle the receivables.

An ECL model was prepared for 31 December 2021 and there was no material impact on the Company's financial statements when compared to the incurred loss model under IAS 39.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amounts of contract assets represent the maximum credit exposure.

## **RIG Medical Recruit Limited**

### **Notes forming part of the financial statements (continued)**

#### **1. Accounting policies (continued)**

##### **Trade and other creditors**

Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less. Cash equivalents are short-term highly liquid investments with an original maturity of three months or less from the date of acquisition that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Ordinary shares are classified as equity.

##### **Defined contribution plans**

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

**RIG Medical Recruit Limited****Notes forming part of the financial statements (continued)****2. Turnover**

	<b>Period ended 31 December 2021 £'000</b>	<b>Year ended 30 June 2020 £'000</b>
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Turnover arises from:

Rendering of services	<b>21,206</b>	<b>19,888</b>
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The Company, which is a majority owned subsidiary of Cpl Resources Plc, is involved in the sourcing and placement of staff, principally with a medical background. All turnover arises from the provision of these services in the UK.

**3. Directors' and Auditor's remuneration**

	<b>Period ended 31 December 2021 £'000</b>	<b>Year ended 30 June 2020 £'000</b>
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Directors' remuneration	<b>151</b>	<b>99</b>
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The highest paid director received £151,000 (2020: £99,000).

	<b>2021 £'000</b>	<b>2020 £'000</b>
Auditor's remuneration	<b>10</b>	<b>10</b>

**4. Staff numbers and costs**

The average number of persons employed by the Company including the directors, amounted to:

	<b>2021 No.</b>	<b>2020 No.</b>
Consultants, management and administration	<b>56</b>	<b>74</b>

The aggregate payroll costs incurred were:

	<b>2021 £'000</b>	<b>2020 £'000</b>
Wages and salaries	<b>3,394</b>	<b>2,451</b>
Social security costs	<b>451</b>	<b>344</b>
Other pension costs	<b>164</b>	<b>81</b>
	<b>4,009</b>	<b>2,876</b>

**RIG Medical Recruit Limited**

**Notes forming part of the financial statements (continued)**

<b>5. Interest Payable</b>	<b>Period ended 31 December 2021 £'000</b>	<b>Year ended 30 June 2020 £'000</b>
Bank interest payable	23	48
Other interest payable	17	31
	<u>40</u>	<u>79</u>
	<u><u>40</u></u>	<u><u>79</u></u>
<b>6. Taxation</b>		
	<b>Period ended 31 December 2021 £'000</b>	<b>Year ended 30 June 2020 £'000</b>
<b>Recognised in in profit and loss account</b>		
<b>Corporation tax:</b>		
Adjustments in respect of prior periods	-	(3)
	<u>-</u>	<u>(3)</u>
Total corporation tax	-	(3)
	<u><u>-</u></u>	<u><u>(3)</u></u>
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	42	(15)
Adjustments in respect of prior period	-	(6)
Impact of change in tax rates	(7)	(5)
	<u>35</u>	<u>(29)</u>
Total deferred tax	35	(29)
	<u><u>35</u></u>	<u><u>(29)</u></u>
<b>Total tax expense/(credit)</b>	<b>35</b>	<b>(29)</b>
	<u><u>35</u></u>	<u><u>(29)</u></u>
<b>Reconciliation of expense/(credit)</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
(Loss) on ordinary activities before taxation	(749)	(105)
	<u>(749)</u>	<u>(105)</u>
(Loss) on ordinary activities by rate of tax of 19%	(142)	(20)
Expenses not deductible for tax purposes	5	5
Group relief (received) / surrendered not paid for	179	-
Adjustment in respect of prior periods	-	(9)
Impact of change in tax rates	(7)	(5)
	<u>35</u>	<u>(29)</u>
<b>Total tax expense/(credit)</b>	<b>35</b>	<b>(29)</b>
	<u><u>35</u></u>	<u><u>(29)</u></u>

**RIG Medical Recruit Limited**

**Notes forming part of the financial statements (continued)**

**7. Intangible assets**

	<b>Software £'000</b>	<b>Total £'000</b>
<b>Cost</b>		
At 30 June 2020	20	20
Additions	-	-
	<hr/>	<hr/>
<b>At 31 December 2021</b>	<b>20</b>	<b>20</b>
	<hr/>	<hr/>
<b>Depreciation</b>		
At 30 June 2020	7	7
Charge for the period	13	13
	<hr/>	<hr/>
<b>At 31 December 2021</b>	<b>20</b>	<b>20</b>
	<hr/>	<hr/>
<b>Net book value</b>		
<b>At 31 December 2021</b>	-	-
	<hr/> <hr/>	<hr/> <hr/>
At 30 June 2020	13	13
	<hr/> <hr/>	<hr/> <hr/>

**8. Tangible assets**

	<b>Plant and Machinery £'000</b>	<b>Total £'000</b>
<b>Cost</b>		
At 30 June 2020	380	380
Additions	5	5
	<hr/>	<hr/>
<b>At 31 December 2021</b>	<b>385</b>	<b>385</b>
	<hr/>	<hr/>
<b>Depreciation</b>		
At 30 June 2020	240	240
Charge for the period	72	72
	<hr/>	<hr/>
<b>At 31 December 2021</b>	<b>312</b>	<b>312</b>
	<hr/>	<hr/>
<b>Net book value</b>		
<b>At 31 December 2021</b>	73	73
	<hr/> <hr/>	<hr/> <hr/>
At 30 June 2020	140	140
	<hr/> <hr/>	<hr/> <hr/>

**RIG Medical Recruit Limited****Notes forming part of the financial statements (continued)****9. Leases Amounts recognised in the Company Balance Sheet**

The right of use asset included in the balance sheet is as follows:

	2021 £'000	2020 £'000
Right-of-use asset	869	1,053
	<u>869</u>	<u>1,053</u>

The Company presents lease liabilities in borrowings in the Company Balance Sheet. The amounts included as follows:

	2021 £'000	2020 £'000
<i>Lease liabilities</i>		
Current	150	136
Non current	766	946
	<u>916</u>	<u>1,082</u>

Additions to right-of-use assets during the period were £34,000 (2020: £Nil)

**Amounts recognised in the Company Statement of Comprehensive Income**

The Company Statement of Comprehensive Income includes the following amounts relating to leases:

	2021 £'000	2020 £'000
<i>Depreciation charge of right-of-use assets</i>		
Land and Buildings	218	140
	<u>218</u>	<u>140</u>



**RIG Medical Recruit Limited**

**Notes forming part of the financial statements (continued)**

**9. Leases Amounts recognised in the Company Balance Sheet (continued)**

	2021	2020
	£'000	£'000
<i>Interest expense on lease liabilities</i>	17	27
Expenses relating to short term leases	166	161
Expenses relating to low value assets	-	11
	<hr/>	<hr/>
	183	199
	<hr/>	<hr/>

<b>10. Debtors</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	899	2,430
Amounts owed by group undertakings	1,094	305
Prepayments and accrued income	209	117
Other debtors	433	476
Tax Recoverable	-	18
Deferred tax (note 13)	27	62
	<hr/>	<hr/>
	2,662	3,408
	<hr/>	<hr/>

Amounts due from group companies are interest free and repayable on demand.

<b>11. Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Other creditors	-	51
Amounts owed to group undertakings	2,668	2,323
Accruals and deferred income	185	219
VAT	177	56
PAYE	84	59
Lease Liabilities	150	136
	<hr/>	<hr/>
	3,264	2,844
	<hr/>	<hr/>

Amounts due to group companies are interest free, repayable on demand and unsecured.

# **RIG Medical Recruit Limited**

## **Notes forming part of the financial statements (continued)**

<b>12. Creditors: amounts falling due more than one year</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
Lease Liabilities	766	946
	<u>766</u>	<u>946</u>

Amounts due to group companies are interest free, repayable on demand and unsecured.

<b>13. Deferred tax</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
At beginning of year	62	33
Credited/(charged) to profit and loss account	(35)	29
<b>At end of year</b>	<u>27</u>	<u>62</u>

A deferred tax asset has been recognised at 30 June 2020 and this is expected to be recovered base on future profits.

## **14. Authorised, issued, called up and fully paid**

	<b>2021</b>	<b>2020</b>
<b>Authorised share capital</b>		
10,001,000 Ordinary shares of £0.001 each	10,001,000	10,001,000
769,308 Ordinary "C" shares of £0.01 each	769,308	769,308
219,802 Ordinary "D" shares of £0.01 each	219,802	219,802
578,427 Ordinary "E" shares of £0.001 each	578,427	578,427
	<u>11,568,537</u>	<u>11,568,537</u>
<b>Issued share capital</b>		
10,001,000 Ordinary shares of £0.001 each	10	10
769,308 Ordinary "C" shares of £0.01 each	8	8
219,802 Ordinary "D" shares of £0.01 each	2	2
	<u>20</u>	<u>20</u>

## **15. Capital commitments**

There were no capital commitments at 31 December 2021 (2020: £Nil).

## **RIG Medical Recruit Limited**

### **Notes forming part of the financial statements (continued)**

#### **16. Ultimate parent undertaking**

The Company is a 91% subsidiary of Cpl Resources Limited, a company operating at 83 Merrion Square, Dublin 2, D02, R299, whose consolidated financial statements are available from the Companies Registration Office, Bloom House, Gloucester Place Lower, Dublin 1. Cpl Resources was acquired by Outsourcing Inc on 21 January 2021 which is now the Company's ultimate parent undertaking.

#### **17. Post Balance Sheet Event**

There are no post balance sheet events.

#### **18. Approval of financial statements**

The board of Directors approved these financial statements for issue on 29 September 2022.