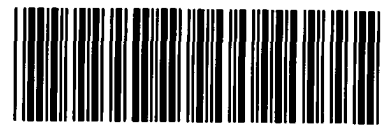


TALENT INTERNATIONAL (UK) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

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TALENT INTERNATIONAL (UK) LIMITED

COMPANY INFORMATION

Directors	R W Earl D Wells
Company secretary	P M Dundon
Registered number	08729262
Registered office	7th Floor 9 Colmore Row Birmingham B3 2BJ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Senior Statutory Auditor 11th Floor Landmark St Peter's Square 1 Oxford Street Manchester M1 4PB
Solicitors	Clarke Willmott 1 Georges Square Bath Street Bristol BS1 6BA

TALENT INTERNATIONAL (UK) LIMITED

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TALENT INTERNATIONAL (UK) LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

Introduction

The principal activity of the Group is the recruitment of technology and digital professionals. Our services are provided to our customers through retained search, exclusive project based recruitment projects and contingency recruitment covering the supply of both contract and permanent technology and digital professionals.

Business review

The Directors have been encouraged by the progress made within its core operating divisions.

Revenues for the year grew to £39.7m from £33.1m in 2021 and pre-tax profit for the year was £291,492 (2021: Loss £398,144).

The company has made a steady start to the new financial year and key markets currently remain robust despite uncertain economic and political challenges.

Principal risks and uncertainties

In addition to variable economic signals both globally and in the UK, uncertainty around the implementation of off-payroll worker regulations gives challenge to long-term planning.

Treasury Policies**Financial Instruments**

The Group's financial instruments comprise cash at bank, balances with group undertakings and trade debtors and creditors, loan notes and the invoice discounting facility arising from normal operations.

These financial instruments are used to fund the Group's operations. It is group policy that no trading in financial instruments be undertaken.

Interest Rate Risk

Interest rate risk arises from the CLBILS loan, loan notes and invoice discounting facility. Loan note interest is at a fixed rate and the invoice discount rate varies in line with changes in SONIA. All remaining loan notes in the company are payable to the parent company.

Credit Risk

The Group's objective is to reduce the risk of financial loss due to a counterparty's failure to honour its obligations. The Group's principal financial assets are cash and trade debtors. The principal credit risk arises from its trade debtors. In order to mitigate this risk the company operates a robust credit management policy which includes a review of the customer credit and payment history and has in place a credit insurance policy which substantively covers its trade debtors.

Liquidity Risk

Liquidity risk is mitigated by careful and active management of the Group's funds to provide sufficient liquidity for its foreseeable needs.

TALENT INTERNATIONAL (UK) LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022**

Financial key performance indicators

The financial key performance indicators of the group are:

	2022	2021
Net fee income per head	£131,250	£118,178
% contract margin	14.07%	15.36%
Average perm fee	£10,355	£8,790

With regards to non-financial key performance indicators the Directors actively monitor staff numbers.

The results of these are in line with the business review on page 1.

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

Darren Wells

D Wells
Director

Date: 2/3/2023

TALENT INTERNATIONAL (UK) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

The directors present their report and the financial statements for the year ended 30 June 2022.

Results and dividends

The profit for the year, after taxation, amounted to £291,492 (2021: loss £398,144).

Dividends of £Nil (2021: £Nil) were paid during the year.

Directors

The directors who served during the year, unless otherwise stated were:

R W Earl
D Wells

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 and profit or loss of the Company and the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

TALENT INTERNATIONAL (UK) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022**

Going concern

The company is funded by a combination of loans from its parent company and a rolling invoice discount facility together with CBIL funding.

Management have prepared forecasts to June 2024, which incorporate assessments of post-pandemic recovery and other uncertainties in its core markets. These forecasts indicate the entity will be able to continue to operate, within its existing facilities, for the foreseeable future and for at least 12 months from the date of approval of these financial statements.

The company has obtained written confirmation of support from its parent company for at least 12 months from the date of these financial statements. The company's parent has facilities in place until 14 January 2025.

Based on the above, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Qualifying third party indemnity provisions

Insurance policies are in place that indemnify the directors against liability when acting for Talent International (UK) Limited.

Disclosure of information to auditor

The directors confirm that:

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

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

Darren Wells

D Wells
Director

Date: 2/3/2023



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TALENT INTERNATIONAL (UK) LIMITED

Opinion

We have audited the financial statements of Talent International (UK) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2022, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated and Company Statement of Changes in Equity and notes to the financial statements, 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 Group's and of the parent Company's affairs as at 30 June 2022 and of the Group's profit for the year 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 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and the parent 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

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and of the parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group and the parent Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and of the parent Company's business model including effects arising from macro-economic uncertainties such as Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and of the parent Company's financial resources or ability to continue operations over the going concern period.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TALENT INTERNATIONAL (UK) LIMITED
(CONTINUED)**

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 Group's and of the parent 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. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TALENT INTERNATIONAL (UK) LIMITED
(CONTINUED)**

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 for the financial statements

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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TALENT INTERNATIONAL (UK) LIMITED (CONTINUED)

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the group and parent company and the industry in which it operates. We determined the most significant laws and regulations to be the Companies Act 2006 and United Kingdom Accounting Standard, including Financial Reporting Standard 102 'Reduced Disclosure Framework'.
- We obtained an understanding of how the group and parent company are complying with those legal and regulatory frameworks by making inquiries of management and those responsible for legal and compliance procedures.
- We assessed the susceptibility of the group and parent company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the group engagement team included:
 - Evaluation of the processes and controls established to address the risks related to irregularities and fraud,
 - Making inquiries, in respect of fraud, of those outside the finance team, including key management;
 - Challenging assumptions and judgements made by management in the company's significant accounting estimates;
 - Identifying and testing unusual journal entries; and
 - Identifying and testing related party transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud and is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would be aware of it.
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's knowledge of the industry in which the group and parent company operates, and the understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TALENT INTERNATIONAL (UK) LIMITED
(CONTINUED)**

- The engagement team's discussions in respect of potential non-compliance with laws and regulations and fraud included the risk of fraud in revenue recognition.
- In assessing the potential risks of material misstatement, we obtained an understating of:
 - The group and parent company's operations, including the nature of its revenue sources, expected financial statement disclosures and business risks that may result in risk of material misstatement; and
 - The group and parent company's control environment including the adequacy of procedures for authorisation of transactions.

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

Grant Thornton UK LLP

Michael Lowe
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester
Date: 2/3/2023

TALENT INTERNATIONAL (UK) LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 £	2021 £
Turnover	4	39,732,146	33,108,731
Cost of sales		(31,935,915)	(26,463,056)
Gross profit		7,796,231	6,645,675
Administrative expenses		(7,321,575)	(6,910,469)
Other operating income	5	-	62,273
Operating profit/(loss)	6	474,656	(202,521)
Interest payable and similar expenses	10	(183,164)	(195,623)
Profit/(loss) before taxation		291,492	(398,144)
Profit/(loss) for the financial year		291,492	(398,144)
Profit/(loss) for the year attributable to:			
Owners of the parent Company		291,492	(398,144)
		291,492	(398,144)

There was no other comprehensive income for 2022 (2021: £Nil).

The notes on pages 17 to 37 form part of these financial statements.

TALENT INTERNATIONAL (UK) LIMITED
REGISTERED NUMBER:08729262

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	49,623	57,975
Investments	14	374	10,376
		<u>49,997</u>	<u>68,351</u>
Current assets			
Debtors: amounts falling due within one year	15	6,372,922	5,462,106
Cash at bank and in hand	16	464,254	263,104
		<u>6,837,176</u>	<u>5,725,210</u>
Creditors: amounts falling due within one year	17	(8,865,266)	(7,946,482)
Net current liabilities		<u>(2,028,090)</u>	<u>(2,221,272)</u>
Total assets less current liabilities		<u>(1,978,093)</u>	<u>(2,152,921)</u>
Creditors: amounts falling due after more than one year	18	(38,896)	(155,560)
Net liabilities		<u><u>(2,016,989)</u></u>	<u><u>(2,308,481)</u></u>
Capital and reserves			
Called up share capital	21	287,827	287,827
Share premium account	22	2,063,247	2,063,247
Profit and loss account	22	(4,368,063)	(4,659,555)
		<u><u>(2,016,989)</u></u>	<u><u>(2,308,481)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2/3/2023

Darren Wells

D Wells
Director

The notes on pages 17 to 37 form part of these financial statements.

TALENT INTERNATIONAL (UK) LIMITED
REGISTERED NUMBER:08729262

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	46,888	55,775
Investments	14	23,360	33,362
		<u>70,248</u>	<u>89,137</u>
Current assets			
Debtors: amounts falling due within one year	15	7,034,209	5,857,001
Cash at bank and in hand	16	373,133	233,642
		<u>7,407,342</u>	<u>6,090,643</u>
Creditors: amounts falling due within one year	17	(8,656,888)	(7,664,667)
Net current liabilities		<u>(1,249,546)</u>	<u>(1,574,024)</u>
Total assets less current liabilities		<u>(1,179,298)</u>	<u>(1,484,887)</u>
Creditors: amounts falling due after more than one year	18	(38,896)	(155,560)
Net liabilities		<u><u>(1,218,194)</u></u>	<u><u>(1,640,447)</u></u>
Capital and reserves			
Called up share capital	21	287,827	287,827
Share premium account	22	2,063,247	2,063,247
Profit and loss account brought forward		(3,991,521)	(3,598,344)
Profit/(loss) for the year		422,253	(393,177)
Profit and loss account carried forward		(3,569,268)	(3,991,521)
		<u><u>(1,218,194)</u></u>	<u><u>(1,640,447)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2/3/2023

D Wells *Darren Wells*
 Director

The notes on pages 17 to 37 form part of these financial statements.

TALENT INTERNATIONAL (UK) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2021	287,827	2,063,247	(4,659,555)	(2,308,481)
Comprehensive income for the year				
Profit for the year	-	-	291,492	291,492
Total comprehensive income for the year	-	-	291,492	291,492
Total transactions with owners	-	-	-	-
At 30 June 2022	287,827	2,063,247	(4,368,063)	(2,016,989)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2020	287,827	2,063,247	(4,261,411)	(1,910,337)
Comprehensive income for the year				
Loss for the year	-	-	(398,144)	(398,144)
Total comprehensive income for the year	-	-	(398,144)	(398,144)
Total transactions with owners	-	-	-	-
At 30 June 2021	287,827	2,063,247	(4,659,555)	(2,308,481)

The notes on pages 17 to 37 form part of these financial statements.

TALENT INTERNATIONAL (UK) LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2021	287,827	2,063,247	(3,991,521)	(1,640,447)
Comprehensive income for the year				
Profit for the year	-	-	422,253	422,253
	-	-	422,253	422,253
Total comprehensive income for the year				
	-	-	-	-
Total transactions with owners				
	-	-	-	-
At 30 June 2022	287,827	2,063,247	(3,569,268)	(1,218,194)

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2020	287,827	2,063,247	(3,598,344)	(1,247,270)
Comprehensive income for the year				
Loss for the year	-	-	(393,177)	(393,177)
	-	-	(393,177)	(393,177)
Total comprehensive income for the year				
	-	-	-	-
Total transactions with owners				
	-	-	-	-
At 30 June 2021	287,827	2,063,247	(3,991,521)	(1,640,447)

The notes on pages 17 to 37 form part of these financial statements.

TALENT INTERNATIONAL (UK) LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022 £	2021 £
Cash flows from operating activities		
Profit/(loss) for the financial year	291,492	(398,144)
Adjustments for:		
Amortisation of intangible assets	-	65
Depreciation of tangible assets	38,758	45,573
Impairments of fixed assets	10,002	-
Interest paid	183,164	176,246
(Increase) in debtors	(1,096,233)	(1,616,935)
Increase in creditors	792,341	250,830
Increase in amounts owed to groups	300,218	162,932
Net cash generated from operating activities	<u>519,742</u>	<u>(1,379,433)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(34,593)	(23,435)
Sale of tangible fixed assets	4,187	-
Net cash from investing activities	<u>(30,406)</u>	<u>(23,435)</u>

TALENT INTERNATIONAL (UK) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

	2022 £	2021 £
Cash flows from financing activities		
New secured loans	-	350,000
Repayment of loans	(116,664)	(77,776)
Other new loans	312,087	(120,874)
Repayment of/new finance leases	-	(1,518)
Interest paid	(183,164)	(176,246)
Movements on invoice discounting	(300,445)	1,150,642
Net cash used in financing activities	(288,186)	1,124,228
Net increase/(decrease) in cash and cash equivalents	201,150	(278,640)
Cash and cash equivalents at beginning of year	263,104	541,744
Cash and cash equivalents at the end of year	464,254	263,104
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	464,254	263,104
	464,254	263,104

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1. General information

Talent International (UK) Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is 7th Floor 9 Colmore Row Birmingham B3 2BJ.

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

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

The financial statements are prepared in Sterling (£), the functional currency of the Company.

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 July 2014.

Due to the immaterial nature of Talent UK US Limited, it has been excluded from the 2022 and 2021 consolidation.

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. Accounting policies (continued)

2.3 Going concern

The company is funded by a combination of loans from its parent company and a rolling invoice discount facility together with CBIL funding.

Management have prepared forecasts to June 2024, which incorporate assessments of post-pandemic recovery and other uncertainties in its core markets. These forecasts indicate the entity will be able to continue to operate, within its existing facilities, for the foreseeable future and for at least 12 months from the date of approval of these financial statements.

The company has obtained written confirmation of support from its parent company for at least 12 months from the date of these financial statements. The company's parent has facilities in place until 14 January 2025.

Based on the above, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

2.4 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Statement of Financial Position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. Accounting policies (continued)

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Permanent placement revenue is recognised at the point in time when there is a high probability that revenue will be received for placing a candidate, this is typically when the candidate begins employment.

Revenue is recognised in the Statement of Comprehensive Income relating to the provision of technology and digital professionals subcontractors. Arrangements with customers are typically on a time and materials basis. Revenue is recognised as subcontractors are provided to the customer based on time incurred, in accordance with terms and rates of the arrangement with the customer.

2.6 Other income

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure. Furlough income, which is a grant awarded by the government, is recognised in income in the periods in which the company recognises the related costs for which the grant is intended to compensate.

2.7 Intangible assets

Goodwill

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

Other intangible assets - website development

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Website development	-	10	years
Goodwill	-	5	years

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. Accounting policies (continued)**2.8 Tangible fixed assets**

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

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

Depreciation is provided on the following basis:

Short-term leasehold property	- 20.0%
Fixtures and fittings	- 33.3%
Office equipment	- 33.3%

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

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

2.9 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

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

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. Accounting policies (continued)**2.12 Financial instruments**

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. 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. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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 Group would receive for the asset if it were to be sold at the reporting date.

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

2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. Accounting policies (continued)

2.14 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.15 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.16 Operating leases

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

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 July 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. Accounting policies (continued)**2.17 Pensions****Defined contribution pension plan**

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

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

2.18 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

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

Preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenses during the year. However the nature of estimation means that actual outcomes differ from those estimates.

Information about the estimates and assumptions that have most significant effect on the recognition and measurement of assets, liabilities, income and expenses is provided below:

- Provision for bad and doubtful debtors: trade debtors are assessed individually for their recoverability and a provision is made against the balance if management determine there is uncertainty over whether the balance will be recoverable.

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

4. Turnover

An analysis of turnover by class of business is as follows:

	2022	2021
	£	£
Contractor revenue	37,164,068	31,209,377
Permanent placement revenue	2,568,078	1,899,354
	<u>39,732,146</u>	<u>33,108,731</u>

Analysis of turnover by country of destination:

	2022	2021
	£	£
United Kingdom	35,762,166	30,921,238
Rest of Europe	3,969,980	2,187,493
	<u>39,732,146</u>	<u>33,108,731</u>

5. Other operating income

	2022	2021
	£	£
Other operating income	-	62,273
	<u>-</u>	<u>62,273</u>

Grants received under the Government Coronavirus Job Retention Scheme.

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets	38,758	45,573
Amortisation of intangible assets, including goodwill	-	65
Exchange differences	34,032	38,490
Other operating lease rentals	11,859	11,563
	<u>84,649</u>	<u>95,691</u>

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

7. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	33,500	35,000
Other services relating to taxation	7,150	6,350
Other services relating to accounts production	5,500	-
	<u>46,150</u>	<u>41,350</u>

8. Employees

Staff costs, including directors' remuneration, were as follows:

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

	Group 2022 No.	Group 2021 No.	Company 2022 No.	Company 2021 No.
Office, administration and directors	<u>79</u>	<u>84</u>	<u>74</u>	<u>83</u>

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	4,966,906	4,169,531	4,726,782	3,890,808
Social security costs	611,195	494,986	604,747	488,018
Cost of defined contribution scheme	208,052	157,024	207,309	155,851
	<u>5,786,153</u>	<u>4,821,541</u>	<u>5,538,838</u>	<u>4,534,677</u>

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

9. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	183,302	70,834
Group contributions to defined contribution pension schemes	14,773	6,155
	198,075	76,989

During the year retirement benefits were accruing to 1 directors (2021: 1) in respect of defined contribution pension schemes.

In addition to the above, the Directors received remuneration of £42,500 (2021: £Nil) which was paid by Talent International Holdings Pty for services to the company. This amount was not recharged to the company.

10. Interest payable and similar expenses

	2022	2021
	£	£
Bank interest payable	16,927	105,581
Other loan interest payable	163,764	86,424
Finance leases and hire purchase contracts	-	311
Other interest payable	2,473	3,307
	183,164	195,623

11. Taxation

	2022	2021
	£	£
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

11. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2021: *higher than*) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Profit/(loss) on ordinary activities before tax	291,492	(398,144)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	55,383	(75,647)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5,552	3,854
Deferred tax not recognised	(81,890)	303,724
Adjustment in respect of changes to tax rate	-	(231,931)
Income not taxable	22,781	-
Fixed asset timing difference	(1,826)	-
Total tax charge for the year	-	-

Trading losses carried forward at the year end amounted to £3,471,968 (2021: £3,904,085). Deferred tax assets not recognised relating to brought forward losses amounted to £881,362 (2021: £979,103). These will be redeemed against future profits.

Factors that may affect future tax charges

An increase in the future main corporation tax rate to 25% from 1 April 2023, from the previously enacted 19%, was announced in the budget on 3 March 2021, and substantively enacted on 24 May 2021. The deferred tax balance at the year-end has been calculated at the rate substantively enacted at the balance sheet date being 25%.

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

12. Intangible assets

Group and Company

	Website development £	Goodwill £	Total £
Cost			
At 1 July 2021	10,665	164,089	174,754
At 30 June 2022	10,665	164,089	174,754
Amortisation			
At 1 July 2021	10,665	164,089	174,754
At 30 June 2022	10,665	164,089	174,754
Net book value			
At 30 June 2022	-	-	-
At 30 June 2021	-	-	-

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

13. Tangible fixed assets**Group**

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 July 2021	30,552	66,133	228,207	324,892
Additions	-	6,491	28,102	34,593
Disposals	-	(26,316)	(142,066)	(168,382)
At 30 June 2022	<u>30,552</u>	<u>46,308</u>	<u>114,243</u>	<u>191,103</u>
Depreciation				
At 1 July 2021	24,059	55,033	187,825	266,917
Charge for the year on owned assets	4,210	3,832	30,716	38,758
Disposals	-	(22,117)	(142,078)	(164,195)
At 30 June 2022	<u>28,269</u>	<u>36,748</u>	<u>76,463</u>	<u>141,480</u>
Net book value				
At 30 June 2022	<u>2,283</u>	<u>9,560</u>	<u>37,780</u>	<u>49,623</u>
At 30 June 2021	<u>6,493</u>	<u>11,100</u>	<u>40,382</u>	<u>57,975</u>

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

13. Tangible fixed assets (continued)**Company**

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 July 2021	30,552	66,133	216,999	313,684
Additions	-	6,491	25,545	32,036
Disposals	-	(26,316)	(135,794)	(162,110)
At 30 June 2022	30,552	46,308	106,750	183,610
Depreciation				
At 1 July 2021	24,108	55,033	178,768	257,909
Charge for the year on owned assets	4,161	3,832	28,731	36,724
Disposals	-	(22,117)	(135,794)	(157,911)
At 30 June 2022	28,269	36,748	71,705	136,722
Net book value				
At 30 June 2022	2,283	9,560	35,045	46,888
At 30 June 2021	6,444	11,100	38,231	55,775

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

14. Fixed asset investments

Group

	Investment in Mindsauce Ltd £	Investment in joint ventures £	Total £
Cost			
At 1 July 2021	10,002	374	10,376
At 30 June 2022	<u>10,002</u>	<u>374</u>	<u>10,376</u>
Impairment			
Charge for the period	10,002	-	10,002
At 30 June 2022	<u>10,002</u>	<u>-</u>	<u>10,002</u>
Net book value			
At 30 June 2022	<u>-</u>	<u>374</u>	<u>374</u>
At 30 June 2021	<u>10,002</u>	<u>374</u>	<u>10,376</u>

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

14. Fixed asset investments (continued)**Company**

	Investments in subsidiary companies £	Investment in Mindsauce Ltd £	Investment in joint ventures £	Total £
Cost				
At 1 July 2021	22,986	10,002	374	33,362
At 30 June 2022	22,986	10,002	374	33,362
Impairment				
Charge for the period	-	10,002	-	10,002
At 30 June 2022	-	10,002	-	10,002
Net book value				
At 30 June 2022	22,986	-	374	23,360
At 30 June 2021	22,986	10,002	374	33,362

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Talent Outsourcing Solutions Limited	7th Floor 9 Colmore Row, Birmingham, B3 2BJ	Recruitment agency	Ordinary	100%
Avec Global UK Limited	7th Floor 9 Colmore Row, Birmingham, B3 2BJ	Recruitment agency	Ordinary	100%
Talent International B.V.	Weteringschans 165, 1017 XD Amsterdam, Netherlands	Recruitment agency	Ordinary	100%
Talent International GmbH	Mindspace Skalitzerstraße, Skalitzer Str. 104, 10997 Berlin, Germany	Recruitment agency	Ordinary	100%
Talent Engage Limited	7th Floor 9 Colmore Row, Birmingham, B3 2BJ	Dormant	Ordinary	100%

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

14. Fixed asset investments (continued)

Participating interests

Joint Ventures

Talent International (UK) Limited also owns 50% of the ordinary share capital of Talent UK US Inc. The company's principal activity is that of a recruitment agency.

15. Debtors

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Trade debtors	5,500,570	5,031,128	5,293,856	4,601,641
Amounts owed by group undertakings	364,715	11,939	1,382,032	896,391
Other debtors	163,853	98,148	93,659	86,489
Prepayments and accrued income	343,784	320,891	264,662	272,480
	<u>6,372,922</u>	<u>5,462,106</u>	<u>7,034,209</u>	<u>5,857,001</u>

An impairment loss of £73,908 (2021: £399,579) was recognised against trade debtors.

16. Cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Cash at bank and in hand	464,254	263,104	373,133	233,642

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

17. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	116,664	116,664	116,664	116,664
Loan notes	762,087	450,000	762,087	450,000
Trade creditors	3,578,354	3,346,794	3,444,954	3,090,929
Amounts owed to group undertakings	1,286,164	633,170	1,434,143	641,633
Other taxation and social security	891,769	710,561	863,847	693,800
Invoice discounting	1,322,786	1,623,231	1,243,008	1,672,525
Pension creditor	71,204	20,712	26,661	20,712
Accruals and deferred income	836,238	1,045,350	765,524	978,404
	8,865,266	7,946,482	8,656,888	7,664,667

The amount advanced by the invoice discounters is secured by a fixed and floating charge on the company's assets. The invoice discounting facility is uncommitted and due for renewal in September 2023.

Included in amounts owed to group undertakings is £1,095,059 (2021: £641,635) due to Talent International Holdings PTY Limited, a company incorporated in Australia and a shareholder of Talent International (UK) Limited. These amounts incur no interest, are unsecured and are repayable on demand.

Loan notes falling due within one year incur interest at a rate of 8% and 11% plus SONIA. The loan notes are unsecured and were due for repayment in May 2021 and are now repayable on demand. The balance of £450,000 is due to Talent International Holdings PTY Limited. An additional loan note of £312,000 was issued in the year due to Talent US.

The bank loan relates to the CLBILS loan which incurs interest at 6% above the Bank of England base rate. The loan is repayable under monthly instalments and the final amount is due for repayment in September 2023.

18. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	38,896	155,560	38,896	155,560

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

19. Loans

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Amounts falling due within one year				
Bank loans	116,664	116,664	116,664	116,664
Other loans	762,087	450,000	762,087	450,000
	<u>878,751</u>	<u>566,664</u>	<u>878,751</u>	<u>566,664</u>
Amounts falling due 1-2 years				
Bank loans	38,896	155,560	38,896	155,560
	<u>917,647</u>	<u>722,224</u>	<u>917,647</u>	<u>722,224</u>

20. Analysis of net debt

	At 1 July 2021 £	Cash flows £	Other non- cash changes £	At 30 June 2022 £
Cash at bank and in hand	263,104	201,150	-	464,254
Debt due after 1 year	(155,560)	-	116,664	(38,896)
Debt due within 1 year	(566,664)	(195,423)	(116,664)	(878,751)
Invoice discounting	(1,623,231)	300,445	-	(1,322,786)
	<u>(2,082,351)</u>	<u>306,172</u>	<u>-</u>	<u>(1,776,179)</u>

21. Share capital

	2022 £	<i>2021 £</i>
Allotted, called up and fully paid		
28,782,732 (2021: 28,782,732) Ordinary shares of £0.01 each	<u>287,827</u>	<u>287,827</u>

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

22. Reserves

Share premium account

Includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Includes all current and prior period retained profits and losses.

23. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £208,052 (2021: £157,024). Contributions totalling £71,204. (2021: £20,712) were payable to the fund at the balance sheet date and are included in creditors.

24. Commitments under operating leases

At 30 June 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Not later than 1 year	124,330	<i>158,028</i>	124,330	<i>158,028</i>
Later than 1 year and not later than 5 years	106,677	<i>231,007</i>	106,677	<i>231,007</i>
	231,007	<i>389,035</i>	231,007	<i>389,035</i>

25. Related party transactions

The Company has taken advantage of the exemption available under FRS 102 'Related Party Transactions' from disclosing related party transactions with other group entities that are wholly owned.

Key management personnel

The cost to the company of individuals that are considered to be key management was £Nil (2021: £196,743).

TALENT INTERNATIONAL (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

26. Ultimate parent undertaking and Controlling party

The company is a subsidiary of Talent International Holdings Pty which is its ultimate parent and ultimate controlling related undertaking.

Talent International Holdings Pty, a company incorporated in Australia, is the ultimate holding entity for this company.

Talent International (UK) Limited is included within the consolidation results of Talent International Holdings Pty. Copies of the financial statements can be obtained from 201 Elizabeth Street, Sydney, NSW 2000.