

Company registration number 04255059 (England and Wales)

OSCAR ASSOCIATES (UK) LIMITED
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

OSCAR ASSOCIATES (UK) LIMITED

COMPANY INFORMATION

Directors	T J J Parker A F Leach
Secretary	AF Leach
Company number	04255059
Registered office	Windmill Green 24 - 25 Mount Street 3rd Floor Manchester United Kingdom M2 3NX
Auditor	Sedulo Audit Limited Statutory Auditors St Paul's House 23 Park Square Leeds West Yorkshire United Kingdom LS1 2ND

OSCAR ASSOCIATES (UK) LIMITED

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OSCAR ASSOCIATES (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The directors present the strategic report for the year ended 31 August 2024.

Principal activities

The principal activity of the group in the year under review was that of providing specialist recruitment and contract employment services.

Review of the business

This financial year has seen the company continue to consolidate its business position in difficult global market conditions and to review the efficiency of business operations in light of the downturn in sales.

The total Group turnover reduced 13% from prior year which was due to a downturn in the Permanent market for both the UK and US markets which declined by 53% and 25.5% respectively. Due to a year on year growth of 13% in the US , the Contract market showed an overall year on year growth of 1.5% for the Group. The combined effect of this has led to a reduction in Net Fee Income (NFI) for the Group of 10% against 2023 results.

Due to changes in business structure during the financial year decisions were taken to permanently close some offices in the US, with offices in Houston, San Diego and Arizona all being permanently closed resulting in additional cost of £150k for the cost of terminating the leases for those offices. During the year the company has also reviewed staff levels and has scaled down in some areas in order to ensure that the business remains efficient and returns to profitability. During the course of the year the Group headcount reduced by 48%.

Due to the slow down in growth and the costs of restructuring the Company made a loss during the financial year. The management team have taken the necessary steps to realign company overheads during the current financial year and it is anticipated that the business will make a profit for the year ended August 2025.

Principal risks and uncertainties

The directors have considered the principal risks and uncertainties that might affect the company. These include any future downturn in the economy caused by the continued Global recession and higher interest rates which might impact on turnover and financing costs.

Key performance indicators

Financial KPIs	2024	2023
Turnover (£)	42,798k	49,118k
Gross Profit Margin (£)	12,630k	16,429k
Profit before Tax (£)	(457k)	(900k)
Net Assets (£)	3,873k	4,365k

The total Group turnover reduced 13% from prior year which was due to a downturn in the Permanent market for both the UK and US markets which declined by 53% and 25.5% respectively. Due to a year on year growth of 13% in the US , the Contract market showed an overall year on year growth of 1.5% for the Group. The combined effect of this has led to a reduction in Net Fee Income (NFI) for the Group of 10% against 2023 results.

Gross profit margin reduced by 10% due to factors in the market such as competition and pressure on permanent market appointments.

Due to the costs arising from restructuring, combined with slow growth, the group reported a loss for the year. With the restructuring, the group is anticipating that a profit will be recorded for the 2025 year.

OSCAR ASSOCIATES (UK) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

On behalf of the board

T J J Parker
Director

30 May 2025

OSCAR ASSOCIATES (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The directors present their annual report and financial statements for the year ended 31 August 2024.

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

T J J Parker
A F Leach

Financial instruments

Financial risk management objectives and policies

The Group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments. The company has an invoice discounting facility in place to provide short term working capital. The liquidity position of the company is regularly reviewed at Director level to ensure that the company has sufficient funds available. The current facility has sufficient headroom for mid-term growth plans and a good working relationship is in place with the funding provider.

Interest rate risk

The company is at risk from rate increases on its invoice discounting facility. The cost effectiveness of this facility and the overall flexibility that it provides has been reviewed and the company deems this to be the best and lowest risk solution for the forthcoming year.

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The group has a policy of credit referencing all new and potential clients and utilises an alert system from the credit referencing agent. A robust system of cash collection is in place and outstanding accounts are reviewed consistently at management level

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Cash flow risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rates to ensure certainty of cash flows.

OSCAR ASSOCIATES (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Research and development

The group did not conduct any research and development projects during the year under review.

Post reporting date events

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

Future developments

For the forthcoming year the group will continue to focus on growth within current market sectors and seek organic growth via existing office locations. The group will continue to review overhead levels and adapt to changing economic conditions if necessary.

Auditor

The auditor, Sedulo Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, and of the profit or loss of 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 and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

OSCAR ASSOCIATES (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

On behalf of the board

T J J Parker
Director

30 May 2025

OSCAR ASSOCIATES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OSCAR ASSOCIATES (UK) LIMITED

Opinion

We have audited the financial statements of Oscar Associates (UK) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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 the parent company's affairs as at 31 August 2024 and of the group's loss 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 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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

OSCAR ASSOCIATES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF OSCAR ASSOCIATES (UK) LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept 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

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 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

The primary responsibility for the prevention and detection of fraud rests with directors and management, and we cannot be expected to detect non-compliance with all laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our knowledge of the business and sector, enquiries of directors and management, and review of regulatory information and correspondence. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

We discussed with directors and management the policies and procedures in place to ensure compliance with laws and regulations and otherwise prevent, deter and detect fraud.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified as potentially having a material effect on the financial statements. Our procedures included review of financial statement information and testing of that information, enquiry of management and examination of relevant documentation, analytical procedures to identify unusual or unexpected relationships that may indicate fraud, and procedures to address the risk of fraud through director or management override of controls. A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

OSCAR ASSOCIATES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF OSCAR ASSOCIATES (UK) LIMITED

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.

Sam Perkin (Senior Statutory Auditor)
For and on behalf of Sedulo Audit Limited

30 May 2025

Chartered Accountants
Statutory Auditor

Statutory Auditor
St Paul's House
23 Park Square
Leeds
West Yorkshire
United Kingdom
LS1 2ND

OSCAR ASSOCIATES (UK) LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	2023 £
Turnover	3	42,798,007	49,117,699
Cost of sales		(30,168,393)	(32,688,453)
Gross profit		12,629,614	16,429,246
Administrative expenses		(13,017,390)	(17,249,583)
Operating loss	4	(387,776)	(820,337)
Interest receivable and similar income	8	4,868	113
Interest payable and similar expenses	9	(72,863)	(79,479)
Loss before taxation		(455,771)	(899,703)
Tax on loss	10	(36,245)	102,421
Loss for the financial year	23	(492,016)	(797,282)

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The notes on pages 16 to 33 form part of these financial statements.

OSCAR ASSOCIATES (UK) LIMITED

GROUP BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Intangible assets	11		-		9,145
Tangible assets	12		226,093		523,897
			<u>226,093</u>		<u>533,042</u>
Current assets					
Debtors	15	7,262,402		8,341,356	
Cash at bank and in hand		180,525		683,907	
		<u>7,442,927</u>		<u>9,025,263</u>	
Creditors: amounts falling due within one year	16	(3,783,454)		(5,045,351)	
Net current assets			<u>3,659,473</u>		<u>3,979,912</u>
Total assets less current liabilities			<u>3,885,566</u>		<u>4,512,954</u>
Creditors: amounts falling due after more than one year	17		(12,282)		(105,456)
Provisions for liabilities					
Deferred tax liability	19	-		42,198	
		<u>-</u>	<u>-</u>	<u>42,198</u>	<u>(42,198)</u>
Net assets			<u><u>3,873,284</u></u>		<u><u>4,365,300</u></u>
Capital and reserves					
Called up share capital	21		7,500		7,500
Capital redemption reserve	22		2,500		2,500
Profit and loss reserves	23		3,863,284		4,355,300
Total equity			<u><u>3,873,284</u></u>		<u><u>4,365,300</u></u>

The notes on pages 16 to 33 form part of these financial statements.

These financial statements have been prepared in accordance with the provisions relating to medium-sized groups.

The financial statements were approved by the board of directors and authorised for issue on 30 May 2025 and are signed on its behalf by:

T J J Parker
Director

Company registration number 04255059 (England and Wales)

OSCAR ASSOCIATES (UK) LIMITED

COMPANY BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	12		35,845		175,954
Investments	13		621		621
			<u>36,466</u>		<u>176,575</u>
Current assets					
Debtors	15	1,526,935		3,443,378	
Cash at bank and in hand		91,933		190,876	
		<u>1,618,868</u>		<u>3,634,254</u>	
Creditors: amounts falling due within one year	16	(1,698,755)		(3,606,183)	
Net current (liabilities)/assets			<u>(79,887)</u>		<u>28,071</u>
Total assets less current liabilities			<u>(43,421)</u>		<u>204,646</u>
Creditors: amounts falling due after more than one year	17		(12,282)		(105,456)
Provisions for liabilities					
Deferred tax liability	19	-		42,198	
		<u>-</u>	<u>-</u>	<u>42,198</u>	<u>(42,198)</u>
Net (liabilities)/assets			<u>(55,703)</u>		<u>56,992</u>
Capital and reserves					
Called up share capital	21		7,500		7,500
Capital redemption reserve	22		2,500		2,500
Profit and loss reserves	23		(65,703)		46,992
Total equity			<u>(55,703)</u>		<u>56,992</u>

The notes on pages 16 to 33 form part of these financial statements.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £112,695 (2023 - £743,031 loss).

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

OSCAR ASSOCIATES (UK) LIMITED

COMPANY BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2024

The financial statements were approved by the board of directors and authorised for issue on 30 May 2025 and are signed on its behalf by:

T J J Parker
Director

Company registration number 04255059 (England and Wales)

OSCAR ASSOCIATES (UK) LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 September 2022		10,000	-	6,027,582	6,037,582
Year ended 31 August 2023:					
Loss and total comprehensive income		-	-	(797,282)	(797,282)
Own shares acquired		-	-	(875,000)	(875,000)
Redemption of shares	21	-	2,500	-	2,500
Reduction of shares	21	(2,500)	-	-	(2,500)
Balance at 31 August 2023		7,500	2,500	4,355,300	4,365,300
Year ended 31 August 2024:					
Loss and total comprehensive income		-	-	(492,016)	(492,016)
Balance at 31 August 2024		7,500	2,500	3,863,284	3,873,284

The notes on pages 16 to 33 form part of these financial statements.

OSCAR ASSOCIATES (UK) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 September 2022		10,000	-	1,665,023	1,675,023
Year ended 31 August 2023:					
Loss and total comprehensive income for the year		-	-	(743,031)	(743,031)
Own shares acquired		-	-	(875,000)	(875,000)
Redemption of shares	21	-	2,500	-	2,500
Reduction of shares	21	(2,500)	-	-	(2,500)
Balance at 31 August 2023		7,500	2,500	46,992	56,992
Year ended 31 August 2024:					
Profit and total comprehensive income		-	-	(112,695)	(112,695)
Balance at 31 August 2024		7,500	2,500	(65,703)	(55,703)

The notes on pages 16 to 33 form part of these financial statements.

OSCAR ASSOCIATES (UK) LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	29		(195,741)		359,261
Interest paid			(72,863)		(79,479)
Income taxes refunded/(paid)			13,099		(1,381,223)
Net cash outflow from operating activities			(255,505)		(1,101,441)
Investing activities					
Purchase of tangible fixed assets		(28,740)		(306,606)	
Proceeds from disposal of tangible fixed assets		-		58,001	
Interest received		4,868		113	
Net cash used in investing activities			(23,872)		(248,492)
Financing activities					
Share buyback		-		(875,000)	
Repayment of bank loans		(174,807)		(268,242)	
Net cash used in financing activities			(174,807)		(1,143,242)
Net decrease in cash and cash equivalents			(454,184)		(2,493,175)
Cash and cash equivalents at beginning of year			23,931		2,517,106
Cash and cash equivalents at end of year			(430,253)		23,931
Relating to:					
Cash at bank and in hand			180,525		683,907
Bank overdrafts included in creditors payable within one year			(610,778)		(659,976)

The notes on pages 16 to 33 form part of these financial statements.

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Company information

Oscar Associates (UK) Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Windmill Green, 24 - 25 Mount Street, 3rd Floor, Manchester, United Kingdom, M2 3NX.

The group consists of Oscar Associates (UK) Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS102, being a member of a group where the parent of the group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position'- Reconciliation of the opening and closing number of shares;
- Section 7- 'Statement of Cash Flows'- Presentation of cash flow and related notes and disclosures;
- Section 33- 'Related Party Disclosures'- Compensation for key management personnel

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Oscar Associates (UK) Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 August 2024. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.4 Going concern

At the time of signing these financial statements, having considered the economic climate, the Directors' expectations and intentions for the next twelve months, and the availability of working capital, the Directors are of the opinion that the Company will remain viable for the foreseeable future and therefore these financial statements have been prepared on the going concern basis.

1.5 Turnover

Turnover represents amounts receivable for the provision of candidates to permanent positions and labour on a contract basis. Income is recognised for permanent fee income on the candidate start date and contract fee income is recognised over the period that the contractor works.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	Fully amortised
----------	-----------------

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	33% on cost
Fixtures and fittings	33% on cost
Computers	33% on cost

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.17 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

1.18 Invoice discounting

Amounts due in respect of invoice discounting are separately disclosed as currently liabilities. The company can use these facilities to draw down on a percentage of the value of certain sales invoices. The management and collection of trade debtors remains with the company.

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Doubtful debt allowance

The directors assess the doubtful debt allowance at each reporting date. Key assumptions applied are the estimated debts recovery rates and the future market conditions that could affect recovery.

Other than those disclosed above, there are no other critical judgements and estimates.

3 Turnover

	2024 £	2023 £
Turnover analysed by geographical market		
Netherlands	71,742	375,232
Germany	23,915	14,274
Spain	11,216	-
France	418,005	98,076
United Kingdom	11,719,479	18,004,840
United States of America	30,359,358	30,265,682
Puerto Rico	38,302	22,684
Canada	155,990	231,677
Belgium	-	58,305
Ireland	-	46,929
	<u>42,798,007</u>	<u>49,117,699</u>

The turnover is attributable to the one principal activity of the group.

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

4 Operating loss

	2024 £	2023 £
Operating loss for the year is stated after charging:		
Exchange losses	147,266	465,591
Hire of plant and machinery	695	33,608
Depreciation of owned tangible fixed assets	227,954	291,505
Loss on disposal of tangible fixed assets	94,247	27,745
Operating lease charges	274,263	1,235,542
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2024 £	2023 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	19,750	16,750
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2024 Number	2023 Number	Company 2024 Number	2023 Number
Recruitment staff	107	136	38	68
Administrative staff	23	26	14	16
Total	<u>130</u>	<u>162</u>	<u>52</u>	<u>84</u>

Their aggregate remuneration comprised:

	Group 2024 £	2023 £	Company 2024 £	2023 £
Wages and salaries	38,481,684	42,531,085	11,004,827	16,973,958
Social security costs	289,850	608,261	157,164	469,375
Pension costs	53,803	107,439	53,803	107,439
	<u>38,825,337</u>	<u>43,246,785</u>	<u>11,215,794</u>	<u>17,550,772</u>

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

7 Directors' remuneration

	2024 £	2023 £
Remuneration for qualifying services	-	575,233
Company pension contributions to defined contribution schemes	-	8,333
	<u>-</u>	<u>583,566</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2024 £	2023 £
Remuneration for qualifying services	-	208,333
Company pension contributions to defined contribution schemes	-	8,333
	<u>-</u>	<u>8,333</u>

There was no remuneration paid to the directors during the year.

8 Interest receivable and similar income

	2024 £	2023 £
Interest income		
Interest on bank deposits	4,868	-
Other interest income	-	113
	<u>4,868</u>	<u>113</u>

9 Interest payable and similar expenses

	2024 £	2023 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	72,863	79,479
	<u>72,863</u>	<u>79,479</u>

10 Taxation

	2024 £	2023 £
Current tax		
UK corporation tax on profits for the current period	78,981	77,885
Adjustments in respect of prior periods	-	(119,769)
	<u>78,981</u>	<u>(41,884)</u>

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

10 Taxation

(Continued)

	2024 £	2023 £
Deferred tax		
Origination and reversal of timing differences	(42,736)	(60,537)
	<u> </u>	<u> </u>
Total tax charge/(credit)	36,245	(102,421)
	<u> </u>	<u> </u>

The actual charge/(credit) for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2024 £	2023 £
Loss before taxation	(455,771)	(899,703)
	<u> </u>	<u> </u>
Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2023: 25.00%)	(113,943)	(224,926)
Tax effect of expenses that are not deductible in determining taxable profit	1,314	22,137
Adjustments in respect of prior years	-	119,769
Permanent capital allowances in excess of depreciation	(5,192)	(9,430)
Foreign tax adjustments	154,066	50,566
Deferred tax movement	-	(60,537)
	<u> </u>	<u> </u>
Taxation charge/(credit)	36,245	(102,421)
	<u> </u>	<u> </u>

11 Intangible fixed assets

Group	Software £
Cost	
At 1 September 2023	93,237
Transfers	(18,289)
	<u> </u>
At 31 August 2024	74,948
	<u> </u>
Amortisation and impairment	
At 1 September 2023	84,092
Transfers	(9,144)
	<u> </u>
At 31 August 2024	74,948
	<u> </u>
Carrying amount	
At 31 August 2024	-
	<u> </u>
At 31 August 2023	9,145
	<u> </u>

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

11 Intangible fixed assets

(Continued)

Company	Software £
Cost	
At 1 September 2023 and 31 August 2024	74,948
Amortisation and impairment	
At 1 September 2023 and 31 August 2024	74,948
Carrying amount	
At 31 August 2024	-
At 31 August 2023	-

12 Tangible fixed assets

Group	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 September 2023	118,243	790,588	400,379	1,309,210
Additions	11,112	8,893	8,735	28,740
Disposals	(15,540)	(113,612)	(154,491)	(283,643)
Transfers	-	-	18,289	18,289
Exchange adjustments	(1,270)	(27,680)	34,086	5,136
At 31 August 2024	112,545	658,189	306,998	1,077,732
Depreciation and impairment				
At 1 September 2023	70,709	461,197	253,407	785,313
Depreciation charged in the year	20,110	144,667	63,177	227,954
Eliminated in respect of disposals	(9,045)	(71,934)	(89,793)	(170,772)
Transfers	-	-	9,144	9,144
At 31 August 2024	81,774	533,930	235,935	851,639
Carrying amount				
At 31 August 2024	30,771	124,259	71,063	226,093
At 31 August 2023	47,534	329,391	146,972	523,897

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

12 Tangible fixed assets

(Continued)

Company	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 September 2023	65,177	447,065	196,568	708,810
Disposals	(1,565)	(13,413)	(16,941)	(31,919)
At 31 August 2024	63,612	433,652	179,627	676,891
Depreciation and impairment				
At 1 September 2023	60,544	334,381	137,931	532,856
Depreciation charged in the year	2,096	86,756	30,487	119,339
Eliminated in respect of disposals	(1,365)	(3,041)	(6,743)	(11,149)
At 31 August 2024	61,275	418,096	161,675	641,046
Carrying amount				
At 31 August 2024	2,337	15,556	17,952	35,845
At 31 August 2023	4,633	112,684	58,637	175,954

13 Fixed asset investments

	Notes	Group 2024 £	2023 £	Company 2024 £	2023 £
Investments in subsidiaries	14	-	-	621	621

Movements in fixed asset investments Company

Shares in
subsidiaries
£

Cost or valuation

At 1 September 2023 and 31 August 2024 621

Carrying amount

At 31 August 2024 621

At 31 August 2023 621

14 Subsidiaries

Details of the company's subsidiaries at 31 August 2024 are as follows:

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

14 Subsidiaries

(Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Oscar Associates (Americas) LLC	945 Bunker Hill, Suite 150, Houston, Texas 77024	Recruitment and contract employment services	Ordinary shares	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
Oscar Associates (Americas) LLC	3,928,977	(379,281)

15 Debtors

	Group 2024 £	2023 £	Company 2024 £	2023 £
Amounts falling due within one year:				
Trade debtors	4,961,902	5,940,982	1,121,741	2,710,705
Corporation tax recoverable	486,459	578,539	137,098	149,827
Amounts owed by group undertakings	-	-	37,574	136,737
Other debtors	38,029	10,949	33,657	10,918
Prepayments and accrued income	1,775,474	1,810,886	196,327	435,191
	<u>7,261,864</u>	<u>8,341,356</u>	<u>1,526,397</u>	<u>3,443,378</u>
Amounts falling due after more than one year:				
Deferred tax asset (note 19)	538	-	538	-
	<u>538</u>	<u>-</u>	<u>538</u>	<u>-</u>
Total debtors	<u>7,262,402</u>	<u>8,341,356</u>	<u>1,526,935</u>	<u>3,443,378</u>

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

16 Creditors: amounts falling due within one year

	Notes	Group 2024 £	2023 £	Company 2024 £	2023 £
Bank loans and overdrafts	18	703,952	834,783	409,829	834,783
Trade creditors		845,918	1,412,006	783,577	1,384,683
Other taxation and social security		148,413	318,153	144,196	320,168
Other creditors		38,280	63,974	12,091	34,844
Accruals and deferred income		2,046,891	2,416,435	349,062	1,031,705
		<u>3,783,454</u>	<u>5,045,351</u>	<u>1,698,755</u>	<u>3,606,183</u>

17 Creditors: amounts falling due after more than one year

	Notes	Group 2024 £	2023 £	Company 2024 £	2023 £
Bank loans and overdrafts	18	12,282	105,456	12,282	105,456
		<u>12,282</u>	<u>105,456</u>	<u>12,282</u>	<u>105,456</u>

18 Loans and overdrafts

	Group 2024 £	2023 £	Company 2024 £	2023 £
Bank loans	105,456	280,263	105,456	280,263
Bank overdrafts	610,778	659,976	316,655	659,976
	<u>716,234</u>	<u>940,239</u>	<u>422,111</u>	<u>940,239</u>
Payable within one year	703,952	834,783	409,829	834,783
Payable after one year	12,282	105,456	12,282	105,456
	<u>716,234</u>	<u>940,239</u>	<u>422,111</u>	<u>940,239</u>

The loans bear interest at varying rates and repayable in monthly installments.

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2024 £	Liabilities 2023 £	Assets 2024 £	Assets 2023 £
Group				
Accelerated capital allowances	-	43,988	(8,961)	-
Tax losses	-	-	8,715	-
Retirement benefit obligations	-	(1,790)	784	-
	<u>-</u>	<u>42,198</u>	<u>538</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>42,198</u></u>	<u><u>538</u></u>	<u><u>-</u></u>
	Liabilities 2024 £	Liabilities 2023 £	Assets 2024 £	Assets 2023 £
Company				
Accelerated capital allowances	-	43,988	(8,961)	-
Tax losses	-	-	8,715	-
Retirement benefit obligations	-	(1,790)	784	-
	<u>-</u>	<u>42,198</u>	<u>538</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>42,198</u></u>	<u><u>538</u></u>	<u><u>-</u></u>
			Group 2024 £	Company 2024 £
Movements in the year:				
Liability at 1 September 2023			42,198	42,198
Credit to profit or loss			(42,736)	(42,736)
			<u>(538)</u>	<u>(538)</u>
Asset at 31 August 2024			<u><u>(538)</u></u>	<u><u>(538)</u></u>

20 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	53,803	107,439
	<u><u>53,803</u></u>	<u><u>107,439</u></u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

At 31 August 2024 £8,875 (2023: £17,037) was payable to the defined contribution pension scheme.

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

21 Share capital

Group and company	2024	2023	2024	2023
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary A of £1 each	5,500	5,500	7,500	3,000
Ordinary B of £1 each	2,000	2,000	-	4,500
	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>

All shares issued are non-redeemable and rank equally in terms of voting rights, rights to participate in all approved dividend distributions for that class of share and rights to participate in any capital distribution on winding up.

22 Capital redemption reserve

	Group	2023	Company	2023
	2024	£	2024	£
	£		£	
At the beginning of the year	2,500	-	2,500	-
Transfers	-	2,500	-	2,500
	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>
At the end of the year	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>

23 Profit and loss reserves

	Group	2023	Company	2023
	2024	£	2024	£
	£		£	
At the beginning of the year	4,355,300	6,027,582	46,992	1,665,023
Loss for the year	(492,016)	(797,282)	(112,695)	(743,031)
Own shares acquired	-	(875,000)	-	(875,000)
	<u>3,863,284</u>	<u>4,355,300</u>	<u>(65,703)</u>	<u>46,992</u>
At the end of the year	<u>3,863,284</u>	<u>4,355,300</u>	<u>(65,703)</u>	<u>46,992</u>

Profit and loss reserves represent the accumulated earnings of the group less dividends paid.

24 Financial commitments, guarantees and contingent liabilities

The company and its subsidiary have invoice finance in place which is secured by way of a fixed and floating charge over all the property and undertakings of the company.

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

25 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Restated		Restated	
	Group 2024	2023	Company 2024	2023
	£	£	£	£
Within one year	718,250	808,766	-	-
Between two and five years	2,749,716	2,959,869	-	-
In over five years	204,960	570,812	-	-
	<u>3,402,926</u>	<u>4,339,447</u>	<u>-</u>	<u>-</u>

The company exited its lease for its premises in the previous year and provision for the exit costs were also recognised in the financial statements.

As a result of such, the company had no minimum lease commitments at 31 August 2023 and thus the future costs have been restated to £nil.

26 Events after the reporting date

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2024 £	2023 £
Aggregate compensation	<u>941,646</u>	<u>1,265,518</u>

Related party relationships:

Common ownership & management : Searchability (UK) Limited, Senitor Associates Limited

Transactions with related parties

Management fees paid to Searchability (UK) Limited of £21,000.

Management fees paid to Senitor Associates Limited of £210,000 (2023: £180,000)

The following amounts were outstanding at the reporting end date:

OSCAR ASSOCIATES (UK) LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

27 Related party transactions

(Continued)

Searchability (UK) Limited- £3,600

Senior Associates Limited- £60,000 (2023: £18,000)

Outstanding balances are payable on demand, interest-free and not secured.

28 Controlling party

No individual shareholder holds a majority of the voting rights. Therefore, there is no parent entity or ultimate controlling party by virtue of shareholdings.

29 Cash (absorbed by)/generated from group operations

	2024 £	2023 £
Loss after taxation	(492,016)	(797,282)
Adjustments for:		
Taxation charged/(credited)	36,245	(102,421)
Finance costs	72,863	79,479
Investment income	(4,868)	(113)
Loss on disposal of tangible fixed assets	94,247	27,745
Depreciation and impairment of tangible fixed assets	227,954	291,505
Movements in working capital:		
Decrease in debtors	987,412	1,142,399
Decrease in creditors	(1,117,578)	(282,051)
Cash (absorbed by)/generated from operations	(195,741)	359,261

30 Analysis of changes in net debt - group

	1 September 2023 £	Cash flows £	31 August 2024 £
Cash at bank and in hand	683,907	(503,382)	180,525
Bank overdrafts	(659,976)	49,198	(610,778)
	<u>23,931</u>	<u>(454,184)</u>	<u>(430,253)</u>
Borrowings excluding overdrafts	(280,263)	174,807	(105,456)
	<u>(256,332)</u>	<u>(279,377)</u>	<u>(535,709)</u>

