Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	914 496 640
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	NES FIRCROFT HOLDINGS NORWAY AS
Forretningsadresse:	Luramyrveien 40 4313 SANDNES

Regnskapsår

Årsregnskapets periode:	01.11.2021 - 31.10.2022

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Katie Cossar
Dato for fastsettelse av årsregnskapet:	29.06.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 09.06.2024

Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Kostnader			
Other Expenses	2	214 000	452 000
Sum kostnader		**214 000**	**452 000**
Driftsresultat		**-214 000**	**-452 000**
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	3	1 279 000	880 000
Sum finansinntekter		**1 279 000**	**880 000**
Rentekostnad til foretak i samme konsern	3	0	0
Sum finanskostnader		**0**	**0**
Netto finans		**1 279 000**	**880 000**
Ordinært resultat før skattekostnad		**1 065 000**	**428 000**
Income Tax Expense	4	234 000	94 000
Ordinært resultat etter skattekostnad		**831 000**	**334 000**
Årsresultat		**831 000**	**334 000**
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital	5	831 000	334 000
Sum overføringer og disponeringer		**831 000**	**334 000**

Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	6	25 000 000	25 000 000
Sum finansielle anleggsmidler		**25 000 000**	**25 000 000**
Sum anleggsmidler		**25 000 000**	**25 000 000**
Omløpsmidler			
Varer			
Fordringer			
Other short term receivables	3,7	257 000	1 000
Konsernfordringer	3	15 561 000	23 460 000
Sum fordringer		**15 818 000**	**23 461 000**
Bankinnskudd, kontanter og lignende			
Cash and Cash Equivalents		42 000	167 000
Sum bankinnskudd, kontanter og lignende		**42 000**	**167 000**
Sum omløpsmidler		**15 860 000**	**23 628 000**
SUM EIENDELER		**40 860 000**	**48 628 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share Capital	5,8	12 500 000	12 500 000
Overkurs	5	12 500 000	12 500 000
Sum innskutt egenkapital		**25 000 000**	**25 000 000**
Opptjent egenkapital			

Balanse

Beløp i: NOK	Note	2022	2021
Other Equity	5	15 576 000	23 482 000
Sum opptjent egenkapital		**15 576 000**	**23 482 000**
Sum egenkapital		**40 576 000**	**48 482 000**
Sum langsiktig gjeld		**0**	**0**
Kortsiktig gjeld			
Tax Payable	4	234 000	94 000
Other current liabilities	3	51 000	51 000
Sum kortsiktig gjeld		**285 000**	**145 000**
Sum gjeld		**285 000**	**145 000**
SUM EGENKAPITAL OG GJELD		**40 861 000**	**48 627 000**

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer:	2023 716956

Enheten

Organisasjonsnummer:	914 496 640
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	NES GLOBAL TALENT NORWAY HOLDINGS AS
Forretningsadresse:	Luramyrveien 40 4313 SANDNES

Regnskapsår

Årsregnskapets periode:	01.11.2021 - 31.10.2022

Konsern

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Konsernregnskap lagt ved:	Ja

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Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-
Har utarbeidet 'land-for-land' rapport:	Ja

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Katie Cossar
Dato for fastsettelse av årsregnskapet:	29.06.2023

Revisjon

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører:	Ja

Grunnlag for avgivelse

År 2022: Årsregnskap er elektronisk innlevert.
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022.

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Brønnøysundregistrene, 26.08.2023

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 914 496 640
NES GLOBAL TALENT NORWAY HOLDINGS AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
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Organisasjonsnr: 914 496 640
NES GLOBAL TALENT NORWAY HOLDINGS AS

BALANSE

Beløp i: NOK	Note	2022	2021
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Organisasjonsnr: 914 496 640
NES GLOBAL TALENT NORWAY HOLDINGS AS

NOTEOPPLYSNINGER - SELSKAP

- alle poster oppgitt i hele tall

Note
1

Regnskapsprinsipper
1 Accounting principles The financial statements have been presented in compliance with the Norwegian Accounting Act and Norwegian generally accepted accounting principles. The company's accounting year is from 1st November to 31st October. a) Revenue The company is a holding company with no revenue. b) Current assets/Current liabilities Current assets and current liabilities includes items that are due for payment within one year after the balance sheet date, and items that are related to the sales/purchase-processes. Current assets are valued to the lowest of cost and estimated fair value. c) Fixed assets/Long term liabilities Fixed assets are assets held for permanent ownership or use. Fixed assets are valued at cost and are subject to depreciation charges over the useful life of the asset. Fixed assets and investments are written down to the recoverable amount in the event of a decline in value which is not temporary. The recoverable amount is the highest of net sales value and value in use. Value in use is the net present value of future cash flows generated by the asset. The write down is reversed if the value recovers. d) Receivables Accounts receivables and other receivables are booked at face value less provision for doubtful debt. The provision for doubtful debt has been made based on an individual assessment of each balance. e) Shares in subsidiaries Shares in subsidiaries are valued at lowest of cost and estimated fair value. f) Tax Tax on ordinary profit in the Profit and Loss Statement includes both taxes payable for the period and the change in deferred tax. Deferred tax is calculated based on 22 % of the temporary differences between book value and tax values, including tax loss carried forward at the end of the accounting year. Tax increasing and tax reducing temporary differences which reverse or may reverse in the same period are booked net.

Note

Antall årsverk i regnskapsåret
0.00

Mer om årsverk og lønn
No direct employees in this company

Sum	Beløp

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Note

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

Erverv

Endringer i beholdning av aksjer i løpet av regnskapsåret

Avhendelse

Endringer i beholdning av aksjer i løpet av regnskapsåret

Samvirkeforetak

Vedtektsbestemmelser/årsmøtevedtak/forslag til vedtak om medlemskapskonti

Mer om aksjer

Deloitte.

Deloitte AS
Strandsvingen 14 A
NO-4032 Stavanger
Norway

Tel: +47 51 81 56 00
www.deloitte.no

To the General Meeting of NES Global Talent Norway Holdings AS

INDEPENDENT AUDITOR'S REPORT

Opinion
We have audited the financial statements of NES Global Talent Norway Holdings AS (the Company), which comprise the balance sheet as at 31 October 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 October 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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.

Other Information
The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Deloitte.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's 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 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Stavanger, 29 June 2023
Deloitte AS

Arnstein Antonsen
State Authorised Public Accountant

PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Arnstein Antonsen
Statsautorisert revisor
Serienummer: 9578-5999-4-1936005
IP: 79.160.xxx.xxx
2023-08-02 07:25:24 UTC

bank ID

Penneo Dokumentnøkkel: CYQDN-U2AYO-VEG44-O5NCU-FGE2A-FSEPD

Skatteetaten

Vår dato 28.10.2022
Din/Deres dato
Saksbehandler Kjell Knutsen
800 80 000
Skatteetaten.no
Din/Deres referanse
Telefon 94897296
Org.nr 974761076
Vår referanse 2021/6432588
Postadresse Postboks 9200 Grønland 0134 OSLO
U.off.

DELOITTE AS
Postboks 221 Sentrum
0103 OSLO

Att. Arnstein Antonsen og Siw Helene Lorentzen

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for

Selskapsnavn	**Org.nr.**
NES Global Talent Norway Holdings AS	914 496 640
NES Global Talent Norge AS	989 128 639
NES Global Management AS	997 373 006
NES Global Offshore AS	889 128 682
NES Global Talent Holdco AS	918 033 335
NES Advantage Solutions Group AS	984 460 228
NES Advantage Solutions AS	984 909 020
NES Fircroft Bondco	927 143 690

Vi viser til søknad av 6. oktober 2022 om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for følgende NES-selskap:

Selskapsnavn	**Org.nr.**
NES Global Talent Norway Holdings AS	914 496 640
NES Global Talent Norge AS	989 128 639
NES Global Management AS	997 373 006
NES Global Offshore AS	889 128 682
NES Global Talent Holdco AS	918 033 335
NES Advantage Solutions Group AS	984 460 228
NES Advantage Solutions AS	984 909 020
NES Fircroft Bondco	927 143 690

Skatteetaten gir på bakgrunn av en konkret helhetsvurdering selskapene dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd for de angitte selskaper. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

NES-gruppen har tidligere fått dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for selskapene nevnt ovenfor med unntak av NES Fircroft Bondco. Det søkes nå om dispensasjon også for sistnevnte.

Fra søknaden 6. oktober 2022 siteres:

> Selskapene har siden 10.12.2019 vært 100% eid av britiske selskap. Flere av selskapenes styremedlemmer er utenlandske statsborgere.

I e-post av 21. oktober 2021 fra NES-konsernet v/Ståle Klungtveit ble det gitt ytterligere opplysninger om bakgrunnen for søknaden:

> Selskapet vurderer det slik at ingen brukere av regnskapet vil bli vesentlig negativt berørt om regnskapene kun avlegges på engelsk. Selskapet selger tjenester hovedsakelig til olje service næringen hvor kommunikasjon med kunder og leverandører hovedsakelig er på engelsk. Engelsk er per dags dato selskapets valgte kommunikasjonsform med styret og eiere (100 % eiet av NES Global ltd), ansatte og andre brukere. Vi viser blant annet til at kommunikasjon internt og med den internasjonale grupperingen foregår på engelsk. Vi trekker også frem at selskapet som hovedsak kommuniserer på engelsk med leverandører og kunder gjennom sitt internasjonale «shared service center». I tillegg har selskapet et nettsted (på engelsk) hvor aktuelle brukere kan oppsøke informasjon om selskapet.

I e-post av 28. oktober 2022 er det bekreftet at disse opplysningene gjelder fortsatt.

Skatteetatens vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skatteetatens vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at selskapene selger tjenester til oljeservicenæringen hvor kommunikasjonen med kunder og leverandører hovedsakelig skjer på engelsk. Engelsk er pr. dags dato den valgte kommunikasjonsform med ansatte, styret og eiere. Flere av selskapenes styremedlemmer er utenlandske statsborgere. Skatteetaten vektlegger også at selskapene opererer i en bransje hvor engelsk ofte brukes som arbeidsspråk. Skatteetaten finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Gro Stangeland
Underdirektør
Innsats, storbedrift
Skatteetaten

Kjell Knutsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

NES Global Talent Norway Holdings AS

Annual report and financial statements
for the year ended 31 October 2022

Company registration number: 914 496 640

Profit and loss account

As at 31 October 2022

	Notes	2022 NOK'000	2021 NOK'000
Operating income and operating expenses			
Operating expenses			
Other expenses	2	(214)	(452)
Total expenses		(214)	(452)
Operating profit		(214)	(452)
Financial income and expenses			
Interest income from group companies	3	1,279	880
Interest expense to group companies	3	-	-
Net financial items		1,279	880
Profit before taxation		1,066	428
Income tax expense	4	(234)	(94)
Profit for the financial year		831	334
Attributable to:			
Other equity	5	831	334
Total distributed		**831**	**334**

Balance sheet

As at 31 October 2022

	Notes	2022 NOK'000	2021 NOK'000
Non-current assets			
Investments in subsidiaries	6	25,000	25,000
Total non-current assets		25,000	25,000
Current assets			
Intercompany receivables	3	15,561	23,460
Other short-term receivables	3,7	257	1
Cash at bank and in hand		42	167
Total current assets		15,861	23,628
Total assets		40,861	48,628
Equity and liabilities			
Equity			
Paid-in capital			
Share capital	5,8	12,500	12,500
Share premium reserve	5	12,500	12,500
Total paid-up equity		25,000	25,000
Retained earnings			
Other equity	5	15,576	23,482
Total equity		40,576	48,482
Liabilities			
Current liabilities			
Tax payables	4	234	94
Other current liabilities	3	51	51
Total liabilities		285	145
Total equity and liabilities		40,861	48,628

The financial statements of NES Global Talent Norway Holdings AS, company registration number 914 496 640, Sandnes, were approved by the board of directors and authorised for issue on 29 June 2023 and signed on its behalf by:

Stephen William Buckley	**Jens Michael Mellbye**	**Jens Borge Franc Iversen**
Chairman of the board	Member of the board	Member of the board

Indirect Cash Flow

As at 31 October 2022

	Note	2022	2021
		NOK'000	NOK'000
Cash flows from operating activities			
Profit before tax		1,066	428
Ordinary depreciation		-	-
Change in inventory, trade debtors and trade creditors		140	(155)
Changes in accrued accounting items		7,408	(113)
Net cash flows from operating activities		8,613	160
Cash flow from investments		-	-
Purchases of property, plant and equipment		-	-
Net cash flows from investment activities		-	-
Cash flows from financing activities			
Borrowing from group companies		-	-
Group contribution paid		(8,737)	-
Net cash flows from financing activities		(8,737)	-
Net change in cash and cash equivalents		(125)	160
Cash and cash equivalents at the start of the period		167	7
Cash and cash equivalents at the end of the period		42	167

3 NES GLOBAL TALENT NORWAY HOLDINGS AS

Notes to the financial statements

As at 31 October 2022

1 Accounting principles

The financial statements have been presented in compliance with the Norwegian Accounting Act and Norwegian generally accepted accounting principles.

The company's accounting year is from 1st November to 31st October.

a) Revenue
The company is a holding company with no revenue.

b) *Current assets/Current liabilities*
Current assets and current liabilities includes items that are due for payment within one year after the balance sheet date, and items that are related to the sales/purchase-processes. Current assets are valued to the lowest of cost and estimated fair value.

c) *Fixed assets/Long term liabilities*
Fixed assets are assets held for permanent ownership or use. Fixed assets are valued at cost and are subject to depreciation charges over the useful life of the asset. Fixed assets and investments are written down to the recoverable amount in the event of a decline in value which is not temporary. The recoverable amount is the highest of net sales value and value in use. Value in use is the net present value of future cash flows generated by the asset. The write down is reversed if the value recovers.

d) Receivables
Accounts receivables and other receivables are booked at face value less provision for doubtful debt. The provision for doubtful debt has been made based on an individual assessment of each balance.

e) Shares in subsidiaries
Shares in subsidiaries are valued at lowest of cost and estimated fair value.

f) Tax
Tax on ordinary profit in the Profit and Loss Statement includes both taxes payable for the period and the change in deferred tax. Deferred tax is calculated based on 22 % of the temporary differences between book value and tax values, including tax loss carried forward at the end of the accounting year. Tax increasing and tax reducing temporary differences which reverse or may reverse in the same period are booked net.

Notes to the financial statements (continued)

For the year ended 31 October 2022

2 Payroll expenses

Pensions

The company now has no employees and is therefore not required to have an occupational pension scheme in accordance with Norwegian law on occupational pension.

	2022 NOK'000 Managing Director	2021 NOK'000 Board of Directors
Benefits		
Salary	*	-
Other benefits	*	-

*Managing Director is employed by NES Global Management AS and his salary is paid by that company

Fee to the Auditor

The auditor's remuneration for the audit of the company's financial statements pursuant to legislation was borne by NES Global Talent Norge AS, a fellow group undertaking, without any right of reimbursement.

3 Related parties

Year-end balances with companies in the same group:

	2022 NOK'000	2021 NOK'000
Inter-company receivables	15,561	23,408
Inter-company liabilities	-	-
Total	15,561	23,408

Interest calculated on both receivables and liabilities.

4 Tax

	2022 NOK'000	2021 NOK'000
This year's tax expense		
Entered tax on ordinary profit/loss:		
Payable tax	234	94
Changes in deferred tax assets	-	-
Tax expense on ordinary profit/loss	234	94
Taxable income:		
Ordinary result before tax	1,066	428
Permanent differences	-	-
Taxable income	1,066	428

5 NES GLOBAL TALENT NORWAY HOLDINGS AS

Notes to the financial statements (continued)

For the year ended 31 October 2022

4 Tax *(continued)*

Payable tax in the balance:

Payable tax on this year's result	234	94
Total payable tax in the balance	234	94

	2022 NOK'000	2021 NOK'000	Changes NOK'000
Deferred tax (22%)	-	-	-

5 Equity

	Share Capital NOK	Share premium reserve NOK	Other equity NOK	Total equity NOK
Equity 1st November	12,500	12,500	23,482	48,482
Correction*	-	-	(8,737)	(8,737)
Profit/loss for the year	-	-	831	831
Equity 31st October	12,500	12,500	15,576	40,576

*Correction relates to group contribution adjustment made in the prior year

Notes to the financial statements (continued)

For the year ended 31 October 2022

6 Investment in Subsidiaries

At 31st October the company has the following investments:

Investments in subsidiaries	Main Office	Ownership/ shares of votes	Booked equity NOK	Annual profit/loss NOK	Carrying amount NOK
NES Global Talent Norge AS	Sandnes	100%	29,143	8,322	25,000

7 Social security, employee related taxes and VAT

Nes Global Talent Norway Holdings AS is jointly registered with NES Global Talent Norge AS, NES Global Offshore AS and NES Global Management AS for VAT purposes in the VAT directory. As a result of this, the company has a joint liability for VAT related to these companies. VAT due is reported for the jointly registered companies by NES Global Talent Norge AS and any VAT due is recorded as intercompany by NES Global Talent Norway Holdings AS.

NES Global Talent Norway Holdings AS has kNOK 47 in VAT to be received as of 31st October.

The jointly registered VAT group, however, has kNOK 18,587 in VAT due as of 31st October.

8 Shareholders

The share capital in NES Global Talent Norway Holding AS as of 31st October consists of:

	Total NOK	Face value NOK	Entered NOK
Ordinary shares	12,500	100	12,500
Total	12,500	100	12,500

Ownership Structure The largest shareholder in % at 31st October is:	Ordinary NOK	Owner Interest NOK	Share of votes NOK
NES Global Ltd.	12,500	100%	100%
Total number of shares	12,500	100%	100%

The company is part of the NES Global Talent Group. According to the Norwegian Accounting Act §3-7 (1), the Norwegian sub group is exempt from preparing consolidated financial statements as consolidated financial statements are prepared by the ultimate parent company in UK.

Notes to the financial statements (continued)

For the year ended 31 October 2022

9 Going concern

The company is a subsidiary of NES Fircroft Limited, which manages its working capital on a pooled basis across the NES Fircroft Limited group.

The group has significant unutilised working capital financing facilities in place and manages its day-to-day working capital requirements through short- and medium-term credit facilities which ensures that it can meet its liabilities as and when they fall due. The client base consists of customers with strong credit ratings and credit insurance is maintained for key clients, further reducing risk.

The directors have a reasonable expectation that the NES Fircroft group has adequate resources to continue in operational existence for the foreseeable future and therefore support all its subsidiaries. Accordingly, the company as adopted the going concern basis in preparing the financial statements.

NES Global Talent Norway Holdings AS

Directors' report 2022

Nature of Business and location

NES Global Talent Norway Holdings is the Norwegian holding company for part of the NES Group and owns NES Global Talent Norge AS, which again owns the subsidiaries NES Global Offshore AS and NES Global Management AS. The Company is located at Lura in the municipality of Sandnes.

True and fair view of development and profit

The company has had the following development of profit and equity:

	2022	2021	2020
Operating income	0	0	0
Net income	831	334	882
Total equity	40 576	48 482	48 148
Total equity and liabilities	40 861	48 628	98 813
Equity share	99%	99%	49%

It is the opinion of the board that the financial statements give a true and fair view of the company's assets, debt, financial position and profit.

Future development

The demand for engineers in the energy sector continues to be strong, fueled by the ever-increasing need for energy, energy security, and the ongoing transition initiatives. The temporary changes to the petroleum tax on the Norwegian Continental Shelf has led to high investments and predicable, high activity level towards 2028. In a small Norwegian market this has also resulted in a tight labour market, with scarcity of qualified engineers and specialists available for recruitment. Regulative change with restrictions on hire from staffing agencies in Norway has limited the market potential. However, companies that have a tariff agreement with a major union and can come to terms with an employee representative are exempted.

Financial Market Risk

a) Market risk

The majority of the company's turnover as well as payable cost are in local currency (NOK) excluding any exposure towards currency loss. The company has no direct exposure towards raw materials but is indirectly exposed doing business with oil & gas companies.

b) Credit risk

The company's accounts receivables are mainly towards bigger international oil companies. The company is a party to a group credit insurance policy, which further mitigates the risk of bad debts. The credit risk is considered to be low.

c) Liquidity risk

The company has satisfactory liquidity and working capital.

Considerations after yearend close

No incidents after yearend close have occurred which is of significance for the assessment of the company other than what is included in the other parts of the financial statements.

Research and development activities

The Company has no ongoing research or development activities.

Going concern

The Financial statement for 2022 has been prepared with the assumption of a going concern. The board confirms that the premises for such assumption are indeed there.

The Transparency Act

Our report on our commitments to the Transparency Act (Åpenhetsloven) will be published on www.nesfircroft.com within June 30, 2023.

Working Environment and Gender Equality

The Company has no employees.

External Environment

The Company does not pollute any external environment.

Directors' Indemnities

The Group has indemnity insurance in place on behalf of all of its directors during the year, which remains in force at the date of this report.

Sandnes, 29th June 2023

Stephen William Buckley	Jens Michael Mellbye	Jens Børge Franc Iversen
Chairman of the Board	Managing Director/Board member	Board member

Skatteetaten

Vår dato
01.11.2022

Din/Deres dato
25.10.2022

Saksbehandler
Lars Waaltorp

800 80 000
Skatteetaten.no

Din/Deres referanse
AR512417051

Telefon
90833418

Org.nr
974761076

Vår referanse
2022/5870650

Postadresse
Postboks 9200 Grønland
0134 OSLO

NES FIRCROFT BONDCO AS
Postboks 71 Sandsli
5861 BERGEN

Att. Arnstein Antonsen, Deloitte AS

Fritak for konsernregnskapsplikt for NES Fircroft Bondco AS, org.nr. 927 143 690

Vi viser til deres brev sendt inn 25. oktober 2022 hvor dere søker om fritak fra plikten til å utarbeide konsernregnskap for NES Fircroft Bondco AS.

Skattekontoret finner med hjemmel i regnskapsloven § 3-7 fjerde ledd å kunne gi tillatelse til at det gjøres unntak for konsernregnskapsplikten for NES Fircroft Bondco AS. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brev må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet mv. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn
NES Fircroft Bondco AS er morselskap i et underkonsern, hvor NES Global Talent Limited er det ultimate morselskapet og er hjemmehørende i Storbritannia. Konsernregnskap utarbeides av NES Global Talent Limited på engelsk språk etter IFRS, hvor NES Fircroft Bondco AS med datterselskaper er omfattet.

Skattekontorets vurdering
Det forutsettes at NES Global Talent Limited utarbeider konsernregnskap som omfatter den regnskapspliktige og dennes datterselskaper. Det legges til grunn at dette konsernregnskapet er utarbeidet i samsvar med IFRS og at kravene i regnskapsloven § 3-7 med forskrifter for øvrig følges. Bestemmelsene i regnskapsloven kapittel 8 gjelder tilsvarende for dette konsernregnskapet.

Når det gjelder hvilket språk morselskapet skal utarbeide konsernregnskapet på, vises det til forskrift av 7. september 2006 nr. 1062 til utfylling og gjennomføring mv. av regnskapsloven. Det følger av § 3-7-1 at konsernregnskapet foruten å være på norsk, kan være på svensk, dansk eller engelsk.

Skattekontoret gir etter en konkret helhetsvurdering tillatelse til at det gjøres unntak for konsernregnskapsplikten.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waaltorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

NES FIRCROFT LIMITED ANNUAL REPORT

OUR PURPOSE

Delivering a Brighter Tomorrow

Our corporate purpose reflects both our business activities and our corporate culture of innovation, collaboration and inclusivity which has defined NES Fircroft throughout its existence.

OUR PROMISE

To deliver compliant global workforce solutions that enhance the people, clients and communities we work with.

OUR VISION

To provide the expertise which supports our clients as they continue the transition to sustainable business practises and secure a brighter future for generations to come.

OUR VALUES

Customer Focus
Our customers are at the centre of everything we do

Integrity & Responsibility
We do the right things in the right way every time

Drive & Personal Impact
We bring passion and determination to our work every day

Our business is dynamic, customised to the needs of our local markets

Teamwork
We work together as one team, always

2022 HIGHLIGHTS

22,411
contractors supported

$2.3 billion[1]
revenue

1,735
global staff

$277 million[1]
gross profit

57%
female employees

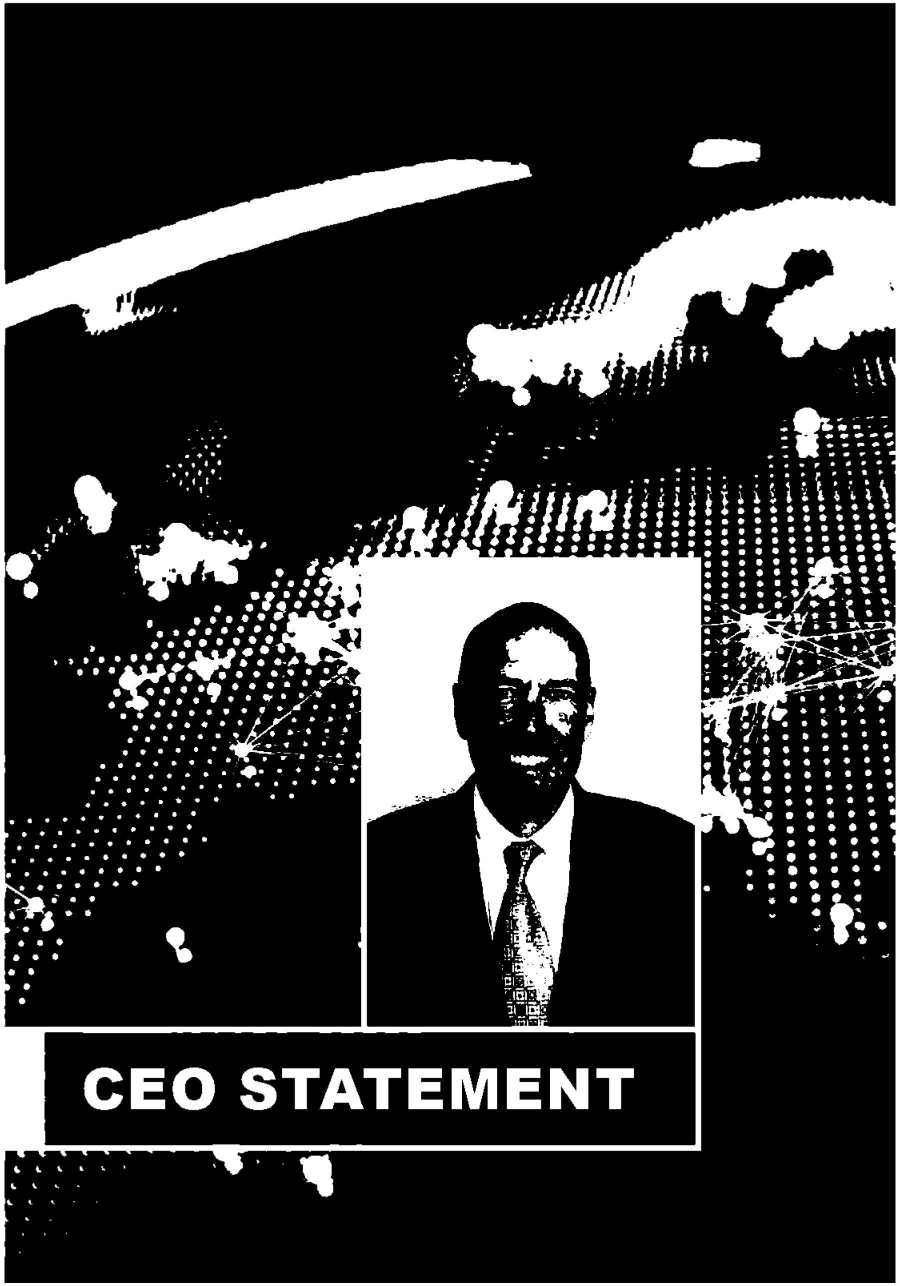
$109 million[2]
underlying EBITDA[1]

134
different nationalities

81
offices worldwide

[1] *Reported figures are from continuing operations for the Group.*

[2] *Underlying EBITDA comprises earnings before interest, tax, depreciation and amortisation and before exceptional items, management recharges and adjustment to gain on bargain purchase. This is considered a more representative approximation of profit as it is calculated by excluding all non-trading expenditure and non-cash items from operating profit.*



The world is in the midst of an energy transition. The economic rebound after the COVID pandemic has triggered price rises across multiple commodities. The conflict in Ukraine has led to increasing prices and security-of-supply concerns which have accelerated the transition to a more sustainable global economy. The years and decades ahead will see a rapidly changing landscape - and change brings with it opportunity.

In response, our customers are accelerating the transition to sustainable business practises and are relying on our customised workforce solutions to enable them to optimise their talent needs and organisational models to achieve their own sustainability goals. NES Fircroft is therefore in prime position to help support the world's journey to net-zero and in this way we will generate sustainable value for shareholders while working towards our own net-zero carbon emissions target. We fully support the Paris Agreement's goal to keep the rise in global average temperature this century to well below two degrees Celsius above pre-industrial levels and are committed to become a net-zero emissions business by 2050. The strength and clarity of our vision – providing the human capital solutions for our clients to secure a brighter future for everyone – has led to the many successes of the Group over the past year.

The Group delivered a strong performance in 2022. Our people combined determination with ingenuity to deliver best-in-class service to our customers and helping our candidates fulfil their potential by providing access to work. We averaged more than 22,000 contractor assignments each day in 2022 - delivering career growth to our contractors and consultants and providing mission-critical skills to our clients.

Revenues, gross margin and underlying EBITDA margin all improved when compared to the previous year, driven by the delivery of our strategy. Investments in the digitalisation and transformation of the Group continued. Revenues increased by 29% on a reported basis, driven by a broad-based growth across all client industries. Underlying EBITDA increased by 51% on a reported basis, driven by our cost-effective and scalable service delivery. Our business supporting renewable energy projects grew by 34% in 2022. Beyond energy, the growing demand for STEM skills and our deep capabilities in these disciplines has fuelled growth of 30% across our power, chemicals, life sciences, mining, and manufacturing sectors.

In the fourth quarter of 2022, the Group successfully completed the issuance of a new USD 300 million Sustainability-Linked Bond. The bond issue incorporates objectives aligned with our long-term sustainability strategy and will play an integral part in enabling the Group to deliver on our ambitious growth strategy. The bond issue received strong demand from a wide array of high-quality institutional investors across the globe.

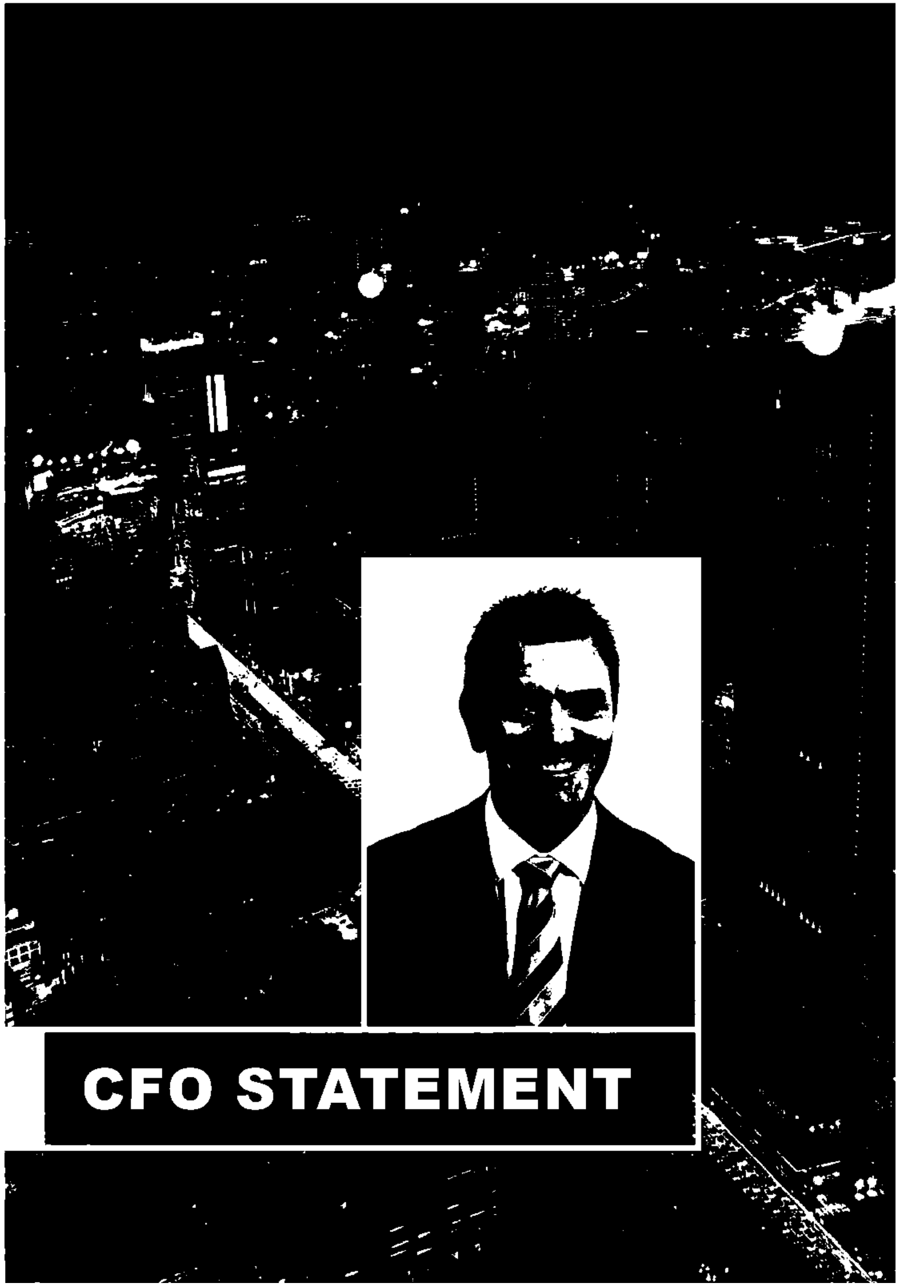
Now we turn our focus to the opportunity ahead and look forward to 2023 as we continue to rollout the key elements of our strategy. While we have learned we can't always predict the future, the outlook is full of promise. On the operational front, our focus will be to drive our growth and strengthen our position globally across all sectors. We continue to focus on the implementation of digital systems to support this growth and efficiency. The Group is uniquely positioned as the world's largest engineering recruitment company to create significant value in the renewables and energy transition markets as we continue to meet our customer demands for tailored workforce solutions – working together to deliver a brighter tomorrow for everyone.

We want to thank our network of 1,700+ colleagues across 81 office locations around the world for their continued hard work and dedication. We are grateful that we have always been able to rely on their engagement, skills, insight and experience. We would also like to sincerely thank our customers, candidates and shareholders for your continued trust and support.

Tig Gilliam

Tig

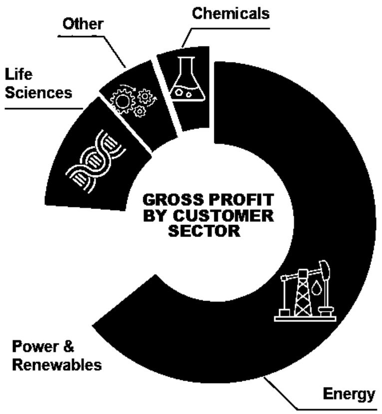
Chief Executive Officer
28 February 2023



CFO STATEMENT

NES Fircroft Group delivered a strong performance in 2022, because of the successful execution of our strategy to provide customised workforce solutions to enable them to optimise their talent needs.

The economic rebound after the COVID pandemic has triggered price rises across multiple commodities, which combined with the conflict in Ukraine has led to increasing energy prices. As a result, our customers are focusing on accelerating growth in the energy sector. During 2022, we have successfully supported our customers by providing the skilled engineering, scientific and technical workforce needed to help them achieve their sustainability goals.
In addition to this, we have seen continued growth in the power, chemicals, life sciences, mining and manufacturing sectors during the year.



USD Million	FY 2022 *from continuing operations*	FY 2021 *from continuing operations*
Revenue	2,332	1,818
Gross profit	277	205
Gross profit margin (%)	11.9	11.3
Underlying EBITDA[1]	109	72
Underlying EBITDA margin (%)[1]	4.7	4.0

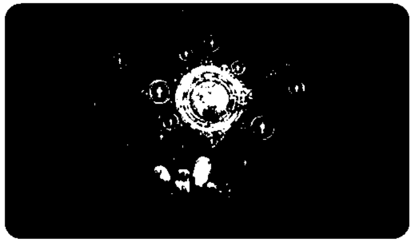
INCOME STATEMENT

The continued growth across all sectors resulted in a 29% increase in full year revenues to USD 2.3 billion (2021: USD 1.8 billion) from continuing operations. Gross profit from continuing operations amounted to USD 277 million (2021: USD 205 million), up 35% on the prior year. Gross margin from continuing operations was 11.8% (2021: 11.3%), up 600 basis points (bps).

Administrative expenses as a proportion of revenue have reduced slightly from 7.3% to 7.2%, reflecting the Group's continued efforts to manage our cost base whilst supporting growth. Administrative expenses were USD 168 million (2021: USD 133 million), and remuneration expenses were USD 109 million in 2022 (2021: USD 94 million), representing 65% of operating costs, compared to 71% in 2021.

Following the geopolitical tensions between Russia and Ukraine in early 2022, the Board resolved to immediately discontinue Group operations in Russia. It was also decided to move focus away from the CIS region and, since the year end, management have successfully completed the sale of Fircroft Kazakhstan CIS LLP and Fircroft Kazakhstan LLP to the local management team (see note 27 for further detail).

[1] Underlying EBITDA comprises earnings before interest, tax, depreciation and amortisation and before exceptional items, management recharges and gain on bargain purchase. This is considered a more representative approximation of profit as it is calculated by excluding all non-trading expenditure and non-cash items from operating profit. A reconciliation of Underlying EBITDA to operating profit is included on the consolidated income statement on page 48.



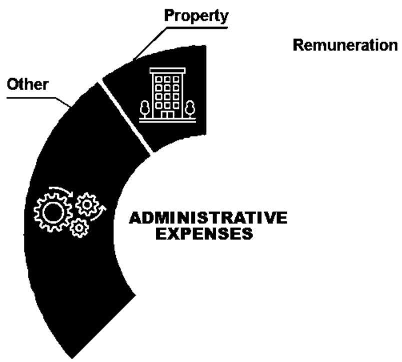
Underlying EBITDA from continuing operations was USD 109 million in 2022 (2021: USD 72 million), up 51% year on year. The underlying EBITDA margin from continuing operations excluding exceptional charges was 4.7% in 2022, up from 4.0% in 2021. The Group successfully delivered on our cost-effective and scalable service delivery, which is driving the increase.

Operating profit from continuing operations for the year was USD 73 million in 2022 compared to USD 2 million in 2022. Exceptional credit amounted to USD 4 million in 2022 and exceptional charges of USD 27 million in 2021, comprising restructuring and M&A related costs. Depreciation of tangible assets from continuing operations was USD 8 million in 2022 compared to USD 9 million in 2021. Amortisation of intangible assets was USD 17 million in 2022 compared to USD 21 million in 2021. No charges for impairment of intangible assets were recognised in 2022 or 2021.

The taxation charge increased to USD 19 million in 2022 (2021: USD 10 million). The key factors impacting the total tax charge for the Group, include the restriction of tax relief on net interest expense and certain disallowable exceptional costs.

The Group operates in many countries and always strives to be compliant with the tax rules and regulations of each territory.

An increase in the rate of corporation tax in the UK from 19% to 25% with effect from 1 April 2023 was included in Finance Act 2021 and substantively enacted on 24 May 2021. This increase in the UK corporation tax rate does not have a material impact on the value of our UK deferred tax balances.

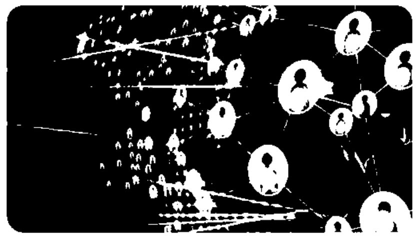


BALANCE SHEET, CASHFLOW AND FINANCING

Undrawn committed facilities at the end of the year decreased by USD 49 million to USD 106 million as at 31 October 2022. The decrease reflects the utilisation of facilities to support the growth of the business. Robust cash flow management is a characteristic of our business with cash flow being counter-cyclical as working capital requirements increase as revenues increase. Overdue accounts receivable amounted to 4% of total debt as at 31 October 2022, consistent with 2021, supporting the continued strong focus we placed on cash collection. Net debt decreased to USD 31 million as at 31 October 2022 (2021:USD 306 million) driven by the repayment of the senior term loan.

The Group successfully completed a refinance of its senior debt in the fourth quarter of 2022, with NES Fircroft Bondco AS, the immediate parent of NES Fircroft issuing a Norwegian Bond of USD 300 million with sustainability linked targets. There is a back-to-back loan for the USD 300 million between NES Fircroft Bondco AS and NES Fircroft Limited which is reflected as related party debt. Including this related party loan within net debt would give a net debt figure of USD 314 million (2021: USD 306 million).

In addition, the Group implemented a new USD 100 million super senior revolving credit facility, both of which mature in 2026. These facilities along with the diversified contractor base and workforce, provide the Group with a strong foundation to deliver the continued growth we are forecasting for 2023 and beyond.



USD Million	FY 2022 USD million	FY 2021 USD million
Cash inflows / (outflows) from continuing operations	33	(55)
Undrawn committed facilities	106	155
Overdue accounts receivable	19	17
Debt	113	340
Net debt[1]	31	306

[1] Net debt (calculation of total debt after deducting the total of cash and cash equivalents) includes IFRS 16 lease liabilities.

OUTLOOK

Revenues increased by 14% in Q4 2022 since the equivalent quarter in the prior year, with volume trends improving through the quarter. Revenues and volume trends for Q1 2023 indicate a similar trend. We will continue to focus on the implementation of digital systems to support our growth strategy and the successful completion of the refinance will provide the Group with a strong foundation to deliver the forecasted growth. Longer term we are creating value by supporting our clients demands with tailored workforce solutions for the renewables and energy transition.

Stephen Buckley

Chief Financial Officer
28 February 2023

CORPORATE GOVERNANCE

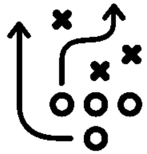
The Board is responsible for the long-term sustainable success of the Group. To achieve this, the Board leads and provides direction for the Leadership Team by setting our strategy. Its role includes overseeing strategic decision making, scrutinising the performance of its management in meeting the goals set by the Board and taking a proactive role in monitoring the performance of the Group as a whole.

The Board looks to convene in person regularly and where that is not possible, conference calls are held so that management can update the Board on the Group's performance. The Executive Directors also have regular meetings with the shareholders.

For the year ended 31 October 2022, under The Companies (Miscellaneous Reporting) Regulations 2019, we have applied the Wates Corporate Governance Principles for Large Private Companies ("Wates Principles"). We have adopted the Wates Principles as an appropriate framework for our corporate governance arrangements which are set out in more detail in various sections of this report. Its key principles are reviewed below.

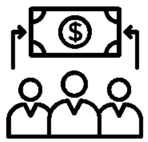
PURPOSE AND LEADERSHIP

Our corporate vision, values and strategy are described throughout this Annual report. The Group has the purpose 'Delivering a Brighter Tomorrow' – reflecting both our business activities and our corporate culture of innovation, collaboration and inclusivity which has defined NES Fircroft throughout its existence.



STRATEGY

The Board has provided ongoing support to the Leadership Team throughout the year, and in particular in support of the successful M&A and restructuring programmes, using their significant experience in key areas of relevance to provide constructive challenge and scrutiny.



REMUNERATION

The Board promotes executive remuneration structures aligned to the achievement of KPIs required to deliver the long term sustainable success of the Group. Metrics which define key mangement remuneration are closely aligned to key milestones and performance targets which are linked to the Group's strategy. These do not differ significantly from those of the Leadership Team.

STAKEHOLDERS

The Board is responsible for overseeing meaningful engagement with stakeholders including employees, and having regard to their views when taking decisions.

RISK

The Board's role is to ensure the long term sustainable success of the Group, whilst maintaining oversight for the identification and mitigation of risk. The COVID-19 pandemic impacts have been considered within the existing risk categories.

BOARD COMPOSITION

EXECUTIVE DIRECTORS

TIG GILLIAM
CHIEF EXECUTIVE OFFICER (CEO)

US, appointed 3 Feb 2014

Tig joined the Group in 2013 and was appointed CEO in 2014. Tig previously worked as a partner at AEA which acquired NES in 2012. Prior to that he was CEO of Adecco Group North America and held senior management roles at IBM, PwC and Price Waterhouse. Tig holds an MBA from Columbia Business School, Columbia University and a BS in Systems Engineering from the School of Engineering and Applied Sciences at the University of Virginia. **Outside interests:** Non-executive directorships at Lennar and Gypsum Management and Supply.

STEPHEN BUCKLEY
CHIEF FINANCE OFFICER (CFO)

UK, appointed 2 Apr 2007

Steve joined the Group in 2007 and oversees all the Group's support functions including the company's global compliance department. He has led a number multi-million dollar bank fundraisings. Prior to joining the Group, Steve was the Group Finance Director at The Funding Corporation from 2002 to 2007, and a partner at Arthur Andersen from 1999 to 2002. He qualified as a Chartered Accountant in 1991.

SIMON COTON
CHIEF OPERATING OFFICER (COO)

UK, appointed 2 Oct 2008

Simon joined the Group in 1995 as a recruiter and progressed up to his current role leading operations in 2008. He has been a key part of the executive team delivering the sale to AEA investors in 2012, securing a number of refinancing deals, and making seven strategic and value adding acquisitions – expanding operations to 81 offices across the globe.

JOHNATHAN JOHNSON
EXECUTIVE DIRECTOR

UK, appointed 22 Sep 2020

Johnathan was appointed Executive Director in 2020. Until 2020, Johnathan had been the CEO of Fircroft since 2017, which he had joined in 1993. With over 25 years' experience in the manpower sector he continues to develop relationships with key global clients and using the experience he has gained over the years to refine and grow the business.

NON-EXECUTIVE DIRECTORS

THOMAS PRYMA
Chairman - US, appointed 31 Dec 2016

KARL ERIK KJELSTAD
Norway, appointed 26 Jan 2017

ALEXANDER HOFFMAN
UK, appointed 4 Oct 2012

ANDREAS KRAMVIS
US, appointed 31 Mar 2017

BRENDAN CONNOLLY
UK, appointed 3 Feb 2014

BOARD COMPOSITION

The Board of Directors for the NES Fircroft Group comprises five Non Executive Directors and four Executive Directors, which is inclusive of two statutory appointed Directors of NES Fircroft Limited (more details set out in the Directors Report on page 33). As at 31 October 2022, the Executive Directors comprise the Chief Executive Officer, Chief Finance Officer, Chief Operating Officer, and an Executive Director. Our Board composition reflects the concentrated shareholding structure of the company and includes one identified independent Director. The assessed skillset of the Board is considered to be sufficiently broad and deep, encompassing senior experience from across a wide range of industries and disciplines.

The Board believes this creates a body which has varied and balanced experience and skills that are highly relevant to the Group's needs and challenges. This has served the Group well in the development and scrutiny of our strategic decision making and performance.

Committee Membership Key: [A] Audit Committee | [C] Compensation Committee

SECTION 172(1) STATEMENT

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a director to have regard to (amongst other matters) the:

- Likely consequences of any decisions in the long-term;
- Interests of the company's employees;
- Need to foster the company's business relationships with suppliers, customers and others;
- Impact of the company's operations on the community and environment;
- Desirability of the company maintaining a reputation for high standards of business conduct; and
- Need to act fairly as between members of the company.

The Directors understand that how we behave matters, not only to our people, but also to the many stakeholders who have an interest in our business.

We believe that productive business relationships with our suppliers, customers and other key stakeholders are key to the ongoing success of the Group and that the interests of relevant parties should be considered when making decisions that may impact them.

Though engagement is carried out by those most relevant to the stakeholder or issue in question, the Directors receive updates on the engagement that has been undertaken, the recurring questions, concerns raised and the feedback provided by the Group's key stakeholders.

When making decisions the Directors take the course of action that they consider best leads to the success of the Group over the long-term. When doing so, they also consider the interests of the stakeholders that we interact with. The Directors acknowledge that every decision made will not necessarily result in a positive outcome for all our stakeholders but by considering the Group's purpose and values together with its strategic priorities the Directors aim to make sure its decision is consistent and predictable.

We set out throughout the Strategic report some examples of how the Directors have had regard to the matters set out in section 172(1) (a) to (f) when discharging their section 172 duty and the effect of that on certain of the decisions taken by them. By considering these matters the Directors have had regard to the matters set out in section 172(1) (a) to (f) of the Companies Act 2006 when performing their duty under section 172. Please refer to page 21 for more details.

BOARD ACTIVITIES

The Board and its committees met regularly during the year, as well as on an ad hoc basis, as required by business needs. Meetings were carried out both in person and virtually during the year. Throughout the year, the Board and its committees continued to engage effectively through the use of technology.

The Board reviewed project and operational performance throughout the year, as well as the latest view on full-year delivery against the Strategic Plan. Equally the Group's financial performance, liquidity, credit position and associated financial risks were closely and regularly monitored by the Board against the Financial Plan.

On risk oversight, the Board, assisted by its committees, also regularly reviewed its principal and emerging risks, including the process through which they are managed. On internal controls, the Board also assessed the effectiveness of the Group's system of internal control and risk management.

No specific areas of significance were identified in this review and the Board considers the Group's system of internal control generally meets expectations of components to be included in internal control frameworks. In arriving at these conclusions, the Board took into account reports from Group risk and internal audit, as well as reviews undertaken by the Board and its committees during the year. In conducting reviews during the year, the Board and its committees considered the impact of remote working on the control environment, among other key factors.

GOVERNANCE FRAMEWORK

The Board's role is to promote the long-term sustainable success of the company, generating value for its shareholders while having regard to other stakeholders, the impact of operations on the communities within which it operates and the environment.

The Board terms of reference identify certain matters that are considered to be of such materiality at a Group level that they are reserved for approval by the whole Board and cannot be delegated. The matters reserved include, among others, certain investments, changes to the company's capital structure, distributions and borrowing arrangements.

BOARD

AUDIT COMMITTEE | **COMPENSATION COMMITTEE**

AUDIT COMMITTEE

Role of the Committee
The Audit Committee is responsible for: the appropriateness of accounting policies, ongoing compliance with accounting standards, and the adequacy and effectiveness of internal reporting and control systems. It also oversees the scope of the external and internal audit plans and the role of the Auditor.

Key responsibilities:

- The approval of the Group's annual consolidated financial statements, including the appropriateness of accounting policies, compliance with accounting standards and material matters such as contingent liabilities;
- The scope of work for external audit, actions required as a result of the Auditor findings and conclusions, the Auditor remuneration and the reappointment or replacement of the Auditor; and
- The adequacy and effectiveness of the Group's internal systems concerning reporting and control; including ensuring that the internal audit function is adequately resourced, has appropriate standing within the Company with a primary reporting line to the Audit Committee, and to review and approve internal audit plans of activity.
- The Committee receives regular updates on the audit programme from the Group Head of Internal Audit. It meets with the Group Head of Internal Audit and the external Audit Partner at least twice a year.

COMPENSATION COMMITTEE

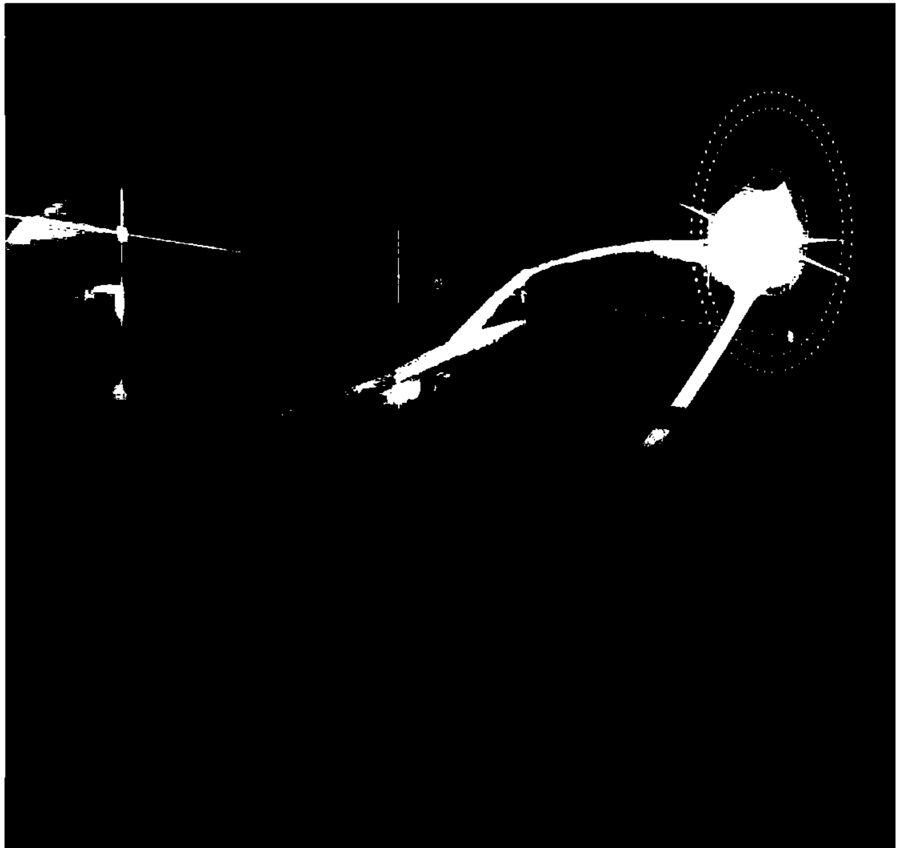
Role of the Committee
The Compensation Committee is responsible for making recommendations to the Board on the remuneration and other employment benefits of senior management employed by the Group. The Committee also oversees the introduction and amendment of any long or short term incentive plans.

Key responsibilities:

- The setting and monitoring of a fair and appropriate remuneration policy and its application for senior management;
- To ensure that policies, plan designs and reward decisions align with business strategy, are well cost governed and support sustainable business performance; and
- To balance the needs of Executive and shareholder interests and to ensure alignment of reward policies with talent management.

LEADERSHIP TEAM

The Leadership Team represents the principal Executive Leadership of the Group. It comprises Tig Gilliam (Chief Executive Officer), Simon Coton (Chief Operating Officer), Stephen Buckley (Chief Finance Officer) and Johnathan Johnson (Executive Director). The Leadership Team are all full-time employees of the Group. Their biographies are set out on page 14.



KEY PERFORMANCE INDICATORS

The Directors have outlined the key performance indicators that they rely on to manage the business. These key metrics focus on volume, efficiency, people and financial performance within our business operations.

	2018	2019	2020	2021[3]	2022[3]	YoY[2]
Contractors supported (thousands)	11	13	16	22	22	4%
Offices worldwide	58	66	80	73	81	11%
Staff	725	956	1,166	1,511	1,735	15%
Nationalities of staff	127	133	145	157	134	-15%
% Female staff	59	59	59	59	57	-2%
Turnover (USD billion)	1.1	1.7	1.4	1.8	2.3	28%
Underlying EBITDA (USD millions)[1]	58	90	58	72	109	51%
Operating profit (USD millions)	22	41	23	2	73	3,550%
Operating cash flow (USD millions)	30	12	95	(55)	33	160%

[1] *Underlying EBITDA comprises earnings before interest, tax, depreciation and amortisation and before exceptional items and gain on bargain purchase. This is considered a more representative approximation of cash generated in trade as it is calculated by excluding all exceptional expenditure and non-cash items from operating profit including management recharges, gain on bargain purchase, depreciation and amortisation.*

[2] *Year on Year growth represents the movement from 2021 to 2022.*

[3] *2022 and 2021 reflect the profit and loss results from continuing operations. The 2020 impact would be minimal with 2019 and earlier years almost unaffected. The non-financial KPIs for 2021 and earlier years have not been adjusted.*

CREATING VALUE

To achieve our purpose, we focus on those areas where we can most effectively drive impact as a workforce solutions company for the benefit of all our stakeholders.

KEY STAKEHOLDERS	ACTIONS & INITIATIVES	BENEFITS
EMPLOYEES ***1,700+ colleagues worldwide*** We invest in training and building our culture to ensure NES Fircroft is a great place to work, regularly engaging with employees via the intranet and town halls	• Learning Management System (LMS) training technology solution implemented • Emerging Female Talent development programme launched • Digital technology solutions to support colleagues working remotely	We employed 830 new colleagues in 2022. 14,474 training courses completed on the LMS system (2021: 7,367), supplemented by CPD programmes based on individual needs. We have achieved our target of 50% female employees.
CANDIDATES ***Connecting individuals to the world of work*** We build long-term relationships with our candidates, engaging with them through our website and social media	• Support and insight into the changing world of work • Customer experience reviews using Net Promoter Score (NPS®) technology solution	We helped more than 22,000 candidates secure their next role
CLIENTS ***Supporting workforce solutions*** We consult with our clients to understand their needs to deliver their business objectives	• Responding to changing demands driven by energy transition and COVID-19 • Customer experience reviews using Net Promoter Score (NPS) technology solution	We worked with over 1,000 clients to help them find the workforce solutions they require to help deliver their business goals
COMMUNITIES ***Local people and organisations*** We seek to have a positive impact on the communities where we operate, providing employment opportunities and supporting local community initiatives	• Job creation and local employment opportunities • Volunteer day initiative • Launch of KindNES Wins foundation	We are providing employment opportunities in the communities where we operate. We support voluntary activities by our colleagues that have a positive impact for the wider community.
PLANET ***Operating in a sustainable way*** We are committed to supporting our clients in the energy transition and have committed to becoming a net-zero organisation	• Increasing internal and external awareness of sustainability and ESG strategy • Net-zero commitment by 2050 • Offset of business travel carbon footprint	We are providing workforce solutions to our clients supporting the energy transition to a low-carbon world. We offset the carbon footprint of our business travel and are on the path to net-zero.
SHAREHOLDERS ***Long-term capital providers*** We actively engage with our investors and are very grateful for their ongoing support	• Clear and consistent communications • Operational efficiency post-integration of merged business • Sustainability strategy with focus on ESG • Portfolio of digital technology solutions (in-house and third party)	We have generated significant value for our shareholders
SUPPLIERS ***Supporting our business*** We are committed to treating our suppliers fairly and have issued Code of Conduct and Anti Bribery & Corruption (ABC) policy documents for our suppliers	• Clear code of conduct and ABC policy documents	Our code of conduct and ABC ethical standards are designed to advance long-term supplier relationships
GOVERNMENTS ***Overseeing our markets*** We contribute to national economies directly and indirectly through our activities and the taxes we pay as well as the employment opportunities we provide for our staff and candidates	• Ensuring worker tax and regulatory compliance • Clear code of conduct, ABC policy, Modern Slavery statement	Our tax on profits was USD 18.7 million

RISK MANAGEMENT

Our Risk Management Philosophy

We believe corporate risk processes create value and protect the Group by:

- allowing us to be better prepared;
- providing oversight of opportunities;
- helping us prioritise and deploy limited resources; and
- minimising the impacts of risks that subsequently materialise

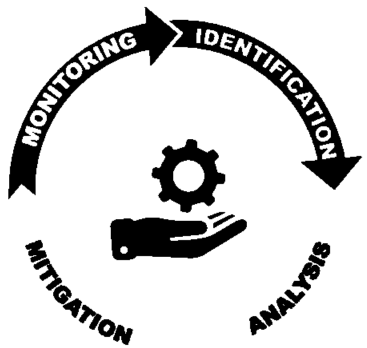
RISK MANAGEMENT PROCESSES

Our risk management processes provide assurance to all key stakeholders that we will achieve our performance, profitability, and related environmental, social and governance (ESG) objectives. While the focus is on managing and mitigating identified risks, we pay equal attention to identifying opportunities.

The risk review process is conducted on a regular basis, steered by Group management and overseen and approved by the Board. Regional management is engaged as well as Group management and corporate functions, to ensure consistency and comprehensive coverage by leveraging the expertise of the people in the organisation closest to the risks.

Risks are consolidated and assessed for likelihood of occurrence to identify those risks that could have a significant impact on operations and our ability to meet our objectives. This enables us to focus attention on the aspect of risk management that matters the most: identifying additional mitigation activity needed to maintain our risk profile.

A number of additional committees and working groups provide governance over key risks, such as information security or regulatory compliance.



KEY BUSINESS RISKS

CANDIDATE ATTRACTION & RETENTION

Risk Context	We depend on our ability to attract and retain candidates who possess the skills and experience to meet our clients' needs.
Main Controls & Mitigation	We aim to attract the best talent through various sources, including online platforms and technologies using digital tools. Our value proposition for candidates goes beyond providing employment opportunities or consecutive assignments. We also offer complementary support services and mobility packages to provide access for a more diverse set of candidates. We regularly measure our candidate NPS® to help identify and respond to their needs.

KEY CUSTOMERS

Risk Context	Our business model focuses on customers who are among the market leaders in their respective sectors. This can potentially result in concentration of sales on a number of key customers. The termination of a project by a key customer may also lead to a loss of revenue.
Main Controls & Mitigation	The Group has more than 1,000 customers and there is no significant customer dependency - the largest customer accounting for less than 8% of revenues. There is an ongoing focus on customer service and quality processes to maintain excellent relationships with customers. Key account management teams are in place for all major customers to deliver the highest quality customer service. We regularly measure our customer NPS® to help identify and respond to their needs. We have procedures and controls to monitor credit risk for all our customers and credit insurance is taken out for customers to mitigate associated credit risk where considered appropriate.

COMPLIANCE WITH LAWS & REGULATIONS

Risk Context	Regulation covers many of our activities, including safety, data protection, privacy, anti-bribery and data protection. The ability to comply with these regulations is critical to maintaining our operational and financial performance. We are also exposed to the risk of unethical behaviour by individual employees or groups of employees resulting in fines or losses to our business.
Main Controls & Mitigation	We retain legal counsel for all jurisdictions where we operate and maintain close relationships through a network of professional advisors to ensure that our operations stay in compliance with all required legislation. We have comprehensive training schemes and controls in place to prevent and detect noncompliance. E-learning courses have been established covering safety, privacy, data protection and anti-bribery compliance. Completion of these courses is mandatory for everyone across the Group on an annual basis and immediately upon joining the company. We continue to invest annually to ensure employee awareness of regulatory compliance matters. Our Data Protection Team has a remit of oversight ensuring compliance with data protection and privacy regulations. The team provides support to the business in the design and operation of processes and procedures that use personal data, as well as managing customer and employee privacy requests and complaints from data subjects. There was no enforcement action in 2022 from any data protection regulator.

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PRINCIPAL RISKS AND UNCERTAINTIES

The following describes our major business risks and how we manage them.

INFORMATION TECHNOLOGY & DATA SECURITY

Risk Context	We are dependent on IT systems for most of our principal business processes. The failure of a key system through an internal or external threat (including a cyber-attack) or event may cause significant disruption to operations or result in loss of revenue. Unauthorised access or loss of customer or employee data could also lead to significant reputation and financial damage. We have a duty and a requirement to ensure customer and employee data is only used within the legislative requirements of the Data Protection Act and for purposes to which data subjects have consented.
Main Controls & Mitigation	We have an IT Security team for the management of our technology and data security risk. The team also provides oversight of our information security programme. System controls, disaster recovery and business continuity arrangements exist to mitigate the risk of a critical system failure. We conduct a range of information security measures including network monitoring, vulnerability scanning, penetration testing to keep our data safe and secure. We also deploy a wide range of preventative and detective controls, including technical solutions, to minimise the threat to our systems from cyber-attacks. Ongoing investment and efforts are directed to this risk to keep our operating models and processes under continuous review to reflect the evolving nature of this threat.

LIQUIDITY & FINANCING

Risk Context	Liquidity risks are driven by business performance, our financing structures, and the timing of associated cash flows. We have a requirement to meet a range of covenants and agreements that relate to our cash balances and third party reporting. Failure to meet these requirements or deliver this information could result in the early repayment of loans and other working capital facilities. We also have a net exposure to a number of currencies due to local currency transactions in our overseas operations. Repatriation may also be constrained in countries where exchange controls are imposed to regulate the flow of money.
Main Controls & Mitigation	Group Treasury oversees day to day cash management activity and strategic cash decisions, supported by regular cash modelling and cash forecasting activity. We have processes and controls to ensure accurate forecasting and reporting of our covenant compliance, supported by modelling of cash flows. Where possible we reduce our foreign exchange exposure through the matching of receipts and payments in individual currencies. For countries where remittance challenges and risks exist, we closely monitor our currency exposure to identify any issues at an early stage and to take remedial action, both operational and financial, to minimise the value of these funds.

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SUSTAINABILITY

The COVID-19 pandemic has impacted all our working lives and changed employment markets profoundly. This change has altered the way we work and presented new opportunities for both employers and employees. We are committed to delivering a brighter tomorrow by providing employment opportunities for our communities and the skilled engineers that our clients require to deliver the energy and scientific solutions that will safeguard our planet for future generations.

Delivering a brighter tomorrow by supporting our clients as they accelerate the transition to sustainable energy production, comes with an unwavering responsibility to our people, planet and communities. As we enter 2023, we are focused on using our business as a force for good delivering the energy and scientific solutions that will safeguard our planet for future generations. In 2022, we set out the three pillars of our sustainability strategy – protecting our planet, empowering our people and providing employment opportunities for our communities.

Our people are at the heart of everything we do. We provide a workplace that is based on equality of opportunity, recognises each individual and celebrates diversity of perspective.

Key Focus Areas

- Diversity, Equity and Inclusion
- Learning & Development

SDG Alignment

3 Good Health and Well-Being, 10 Reduced Inequalities, 5 Gender Equality

Targets & Activity

Maintaining 50%+ female workforce (57% at end 2022)

Emerging Talent Programme supporting targets of females in Senior Management roles *(increase from 6% to 16% females in 2022)*

Surveying staff annually on Diversity & Inclusion topics

Establishing internal colleague diversity and inclusion networks

We seek to have a positive impact on the communities where we operate, providing employment opportunities and supporting local community initiatives and charitable activities.

Key Focus Areas

- Supporting ... in which we ...

SDG Alignment

1 No Poverty, 8 Decent Work and Economic Growth, 4 Quality Education

Targets & Activity

Supported more than 22,000 candidates in securing their next employment opportunity

KindNES Foundation funding ($200k+) and staff volunteer initiatives in support of local community charities

We are committed to supporting our clients in the energy transition and have committed to becoming a net-zero organisation.

Key Focus Areas

- Resourcing the transition

SDG Alignment

9 Industry, Innovation and Infrastructure, 12 Responsible Consumption and Production, 13 Climate Action

Targets & Activity

Providing workforce solutions to clients in energy transition/ renewables sectors *(19% annual growth in renewable placements in 2022)*

Off-setting carbon footprint of all staff business travel

Expanding measurement and reporting of our Scope 1, 2 and 3 carbon emissions

Supplementing existing ISO certification of our EMS with planned Green Mark accreditation in 2023

PEOPLE

People are at the heart of everything we do.

- We provide a workplace that is based on equality of opportunity, recognises each individual and celebrates diversity of perspective.
- We support our people to be at their very best.
- We attract and retain talented, collaborative and innovative people who bring a broad range of skills, backgrounds and experiences.
- We approach career development and promotion in the same equitable way and value the contribution of every individual.

Our values inform how we do business and the decisions we make. We use these values as part of our recruitment, performance management and retention processes.

Our code of conduct is based on these values and sets clear expectations for how our people work.

We operate in some parts of the world where bribery and corruption present a high risk. We have a responsibility to be ethical and lawful in all our business activities.

- Our code of conduct explicitly prohibits engaging in bribery or corruption in any form.
- Our group-wide anti-bribery and corruption policy and procedures include measures and guidance to understand the relevant laws and report concerns.
- We provide anti-bribery and corruption training that is mandatory for everyone across the Group on an annual basis and immediately upon joining the company.

% FEMALE WORKFORCE

We monitor the gender and nationality of our people split at different levels across the business and report to the Board on a regular basis.

	End 2022	End 2021
Total Headcount	57%	59%
Management Grade	45%	44%

Ensuring we have a mix of people with the right skills and values will enable us to achieve our vision

SIMON COTON, CHIEF OPERATIONS OFFICER

INTERNALLY

We continue to review our internal policies and practices around recruitment, career development and retention to ensure we are fully inclusive.

We utilise technology solutions to communicate our diversity initiatives and to celebrate the achievements of people from all backgrounds across our global business.

The technology we use includes chat-bot artificial intelligence, gender decoding and bias interruption tools. Training and e-learning courses on diversity and inclusion are in place to ensure our people are actively engaged in supporting the diversity goals of our clients by providing them with shortlists of candidates from a variety of backgrounds and facilitating an unbiased recruitment process.

We have diversity groups set up across the business encouraging engagement in how we can drive more diverse talent both internally and with our clients. Initiatives include our "Lean In" and "Belong" groups across the business which provide a support network to let our people know they belong irrespective of gender or background.

EXTERNALLY

We survey female engineers annually to understand the challenges they are facing and identify actionable insights for us and our clients to address these.

We recognise that we have a key role in supporting our clients achieve their own workforce diversity and inclusion goals and are committed to identifying a wide candidate pool for our clients including people from all backgrounds.

We work closely across industry networks that support career development for females and under-represented groups in our sector. We are active in our membership of "Women in recruitment" and "Ally Energy". Our participation includes committee representation alongside our senior management contributing directly to their development programmes.

UK CO_2 EMISSIONS

TYPE OF EMISSIONS	Activity	2022 Emissions (tCO2e)	2021 Emissions (tCO2e)	2020 Emissions (tCO2e) Pro-forma[1]
Direct (Scope 1)	Natural Gas	109	81	88
Indirect Energy (Scope 2)	Purchased Electricity	94	167	217
Indirect Other (Scope 3)	Transport	40	40	11
Total CO_2 Emissions		243	288	316
Sustainability Metric	Total CO_2 Emissions (tCO2e)/ Turnover (USD millions)	0.10	0.15	0.15

[1]Pro-forma results are based on aggregating NES and Fircroft historical emissions information as adjusted to give effect to the acquisition of Fircroft as though it had occurred on November 1st, 2019.

PLANET

We recognise the risk that climate change poses to society and to our business. We support the goals of the Paris Agreement as well as the target set by the UK Government of net-zero emissions by 2050. The transition to a lower carbon economy presents both risks and significant business opportunities for our business. We are committed to providing the skilled engineers and workforce needed to support our clients whilst minimising our own carbon intensity.

The Renewables and Alternative Energies markets have developed at pace in recent years, as our clients increase their focus on developing sustainable low carbon solutions to meet the world's energy demands. Energy transition will continue to increase in importance as companies commit to decarbonisation and net-zero targets. We actively support our clients in their efforts by providing the engineers and technical workforce needed to support our clients move to cleaner and more efficient low carbon solutions and achieving their own net-zero commitments by 2050.

In support of carbon neutral growth, we monitor and offset 100% of our business travel for all employees globally, making our entire corporate air travel footprint carbon neutral. We seek to do business responsibly and continually strive to improve our environmental behaviours and footprint. We report our UK energy consumption in line with the Greenhouse Gas Protocol. Over the course of the reported year, we were able to reduce our emissions by 16% overall, consistent with our target for a year-on-year reduction in energy consumption.

People are at the heart of everything we do

JOHNATHAN JOHNSON, EXECUTIVE DIRECTOR

COMMUNITIES

We are committed to not only provide employment opportunities but also to give back to the local communities in areas where we are active. We pride ourselves on providing a locally tailored service to our customers.

In Australia, for example, we supported one of our clients engaging Indigenous Australian contractors in order to ensure the project that was in an area of cultural significance to Indigenous Australians was carried out appropriately through overseeing the impact assessments and protecting the local environment throughout the project scope.

We adopt the same approach to the charitable activities we support. Our people have continued inspiring and supporting the next generation into work supporting mentoring schemes with young people in the community and through partnerships with local universities to help people find work in the energy sector.

We encourage employees to support a local charity and provide one paid working day per year for individuals to pursue a voluntary activity which contributes to their local community in a positive way.

In 2022, we have also established the KindNES Foundation to bring together our volunteer activities across the world – working together to build a kinder world. The Foundation's focus is to support charities and programmes which deliver support and services to the community.

We have pledged USD10 per contractor each year to worthy causes, pledging over $240,000 in 2022 to support cancer charities and youth employment initiatives globally. As part of the KindNES programme, our colleagues globally have walked over 25 million steps in 2022 in aid of charity – equivalent to walking one and half times around the world.

Approved and signed on behalf of the Board of Directors

Stephen Buckley

Chief Financial Officer
28 February 2023

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for NES Fircroft Limited ("the Company") for the period to 31 October 2022, and the audited financial statements of the Company and its subsidiary companies (together, "the Group") for the year ended 31 October 2022. The comparative amounts are stated for the period from incorporation on 30 June 2020 to 31 October 2021 for the company and for the year ended 31 October 2021 for the Group.

Pages 32-33 inclusive of this annual report comprise the Directors' report that has been drawn up and presented in accordance with English company law and the liabilities of the Directors in connection with that report shall be subject to the limitations and restrictions provided by such law.

RESULTS, BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The results of the Group for the period are set out on page 19 and are commented on within the Strategic report which is set out on pages 6-31. The Strategic report also contains a review of the business, risk management and the future developments which would otherwise be required to be contained in the Directors' report.

EMPLOYEES

In considering applications for employment from disabled people the Group seeks to ensure that full and fair consideration is given to the abilities and aptitudes of the applicant against the requirements of the job for which they have applied. Employees who become temporarily or permanently disabled are given individual consideration. Where possible equal opportunities for training, career development and promotions are given to disabled persons. Within the bounds of commercial confidentiality, information is disseminated to all levels of staff about matters that affect the progress of our business and are of interest and concern to them as employees. The Group also encourages, where relevant, meetings with employees on a regular basis to discuss matters affecting them.

GOING CONCERN

After making enquiries and based on the assumptions outlined in note 2 of the financial statements, the Directors have satisfied themselves that it is reasonable for them to conclude it is appropriate to adopt the going concern basis for preparing these financial statements. The business activities, performance, strategy, risks and financial position of the Group are set out elsewhere in these reports and financial statements. The Directors have a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future, defined as a period of no less than 12 months from the date of signing these financial statements.

DIRECTORS AND DIRECTORS' INTERESTS

The statutory appointed Directors who held office during the period and up to the date of signing were as follows:

Stephen Buckley
Simon Coton

The details of the full Board of Directors which includes the two statutory appointed Directors listed above is set out in the Strategic Report on page 14. The Group has indemnity insurance in place on behalf of all of its Directors during the year which remains in force at the date of this report.

DIVIDENDS

Dividends of USD 1.2m were paid to non-controlling interests during the year (2021: USD 1m).

The Directors did not declare or pay interim ordinary dividends in respect of the year ended 31 October 2022 (2021: USD Nil).

The Directors recommend that no final ordinary dividend be paid in respect of the year ended 31 October 2022 (2021: USD Nil).

ENERGY AND CARBON REPORTING

The Companies (Directors' report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 implements the UK government's policy on SECR, requiring disclosure of the environmental performance of the Group's assets through calculating the Group's GHG emissions. Our disclosure presents our carbon footprint across Scope 1 and 2 together with an appropriate intensity metric and total energy use.

Methodology GHG emissions are quantified and reported according to the Greenhouse Gas Protocol. Consumption and production data has been collated and converted into CO2 equivalent using the UK Government 2022 Conversion Factors for Company Reporting to calculate emissions from corresponding activity data.

To collect both consumption and production data, the Group has reviewed emissions data related to production, electricity purchases, fuel purchases related to mileage in group owned vehicles as well as staff expenses related to business mileage in private vehicles. This information has been prepared in accordance with the GHG Protocol's Guidance.

Data collected relates to the most recent 12 month period where data was available.

The GHG sources that constitute our operational boundary for the reporting period are:

- **Scope 1:** Direct emissions from company owned and controlled resources; and
- **Scope 2**: Indirect emissions from purchased energy.

The energy and carbon reporting for the period is set out and is commented on within the Strategic Report on page 30.

POLITICAL CONTRIBUTIONS

No company in the Group made any political donations or incurred any political expenditure during the year (2021: USD Nil).

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, Deloitte LLP as existing auditors will be deemed to be reappointed and will therefore continue in office.

DISCLOSURE OF INFORMATION TO AUDITOR

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved and authorised by the Board of Directors

Stephen Buckley, Director
28 February 2023

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for preparing the Annual report, Strategic report, the Directors' report and the Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent company financial statements for each financial year. Under that law they have elected to prepare the Group financial statements in accordance with UK adopted international accounting standards and International Financial Reporting Standards as issued by the European Union and the parent company in accordance with United Kingdom Financial Reporting Standard 101. Both are in conformity with the requirements of the Companies Act 2006 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 parent company and of the Group's profit or loss for that period. In preparing each of the Group and parent company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable, relevant and reliable;
- State whether they have been prepared in accordance with UK adopted international accounting standards and and International Financial Reporting Standards as issued by the European Union or United Kingdom Financial Reporting Standard 101 (parent company) in conformity with the requirements of the Companies Act 2006;
- Assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006.

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

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

FINANCIAL STATEMENTS

Independent auditor's report to the members of NES Fircroft Limited

Report on the audit of the financial statements

Opinion
In our opinion:

- the financial statements of NES Fircroft Limited (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31 October 2022 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards as issued by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated and parent company income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement;
- the related notes 1 to 27 to the group financial statements; and
- the related notes 1 to 13 to the parent company financial statements

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law, and United Kingdom adopted international accounting standards and International Financial Reporting Standards as issued by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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.

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 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.

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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included data protection regulations, licensing regulations, and occupational health and safety regulations and employment legislation.

We discussed among the audit engagement team including significant component audit teams and relevant internal specialists such as tax and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our procedures performed to address them are described below:

- Classification of exceptional items:
    - Obtained an understanding of the management review controls relating to exceptional items;
    - Obtained management's exceptional items paper which details all exceptional items recognised for the year ended 31 October 2022; and
    - Evaluated a sample of exceptional items for detailed testing. For each item selected we obtained detailed supporting commentary on the rationale for classifying the particular item as exceptional, assessed the classification against both the group's accounting policy and IAS 1 requirements and agreed to supporting documentation which includes but is not limited to settlements, legal letters, contracts or invoices.

- Valuation of provisions
    - Obtained an understanding of the management review controls relating to the valuation of provisions;
    - Assessed management's policies for recognition of each category of provision and their rationale for the valuation of each provision recognised;

- Tested a sample of provisions by assessing each item against the recognition criteria under IAS 37 and verified each selection to relevant documentation or other evidence to support the valuation of each item selected; and
- Held independent discussions with management's tax specialists in order to assess the position for certain provisions.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, and reviewing internal audit reports.

Report on other legal and regulatory requirements

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 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.

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

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.

Andrew Halls, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Manchester, United Kingdom
28 February 2023

Consolidated income statement

For the year ended 31 October 2022

	Notes	31 October 2022 $'000	31 October 2021 $'000
Revenue	3	2,332,294	1,818,466
Cost of sales		(2,055,644)	(1,613,288)
Gross profit		276,650	205,178
Administrative expenses		(167,798)	(133,279)
Operating profit before management recharges, gain on bargain purchase, exceptional items, depreciation and amortisation		108,852	71,899
Management recharges		(910)	(927)
Adjustment to gain on bargain purchase	12	-	(12,177)
Exceptional items	4	3,802	(27,237)
Depreciation	11	(8,275)	(9,156)
Amortisation of intangible assets	10	(17,406)	(20,751)
Operating profit from continuing operations		86,063	1,651
Finance costs	5	(13,549)	(31,503)
Profit/(loss) before tax from continuing operations	6	72,514	(29,852)
Tax charge	8	(18,656)	(8,585)
Profit/(loss) from continuing operations		53,858	(38,437)
(Loss)/profit from discontinued operations (net of tax)	23	(918)	2,567
Profit/(loss) for the year		52,940	(35,870)
Attributable to:			
Owners of the Company		46,080	(33,767)
Non-controlling interests		6,860	(2,103)
		52,940	(35,870)

The accompanying notes are an integral part of this consolidated income statement.

NES FIRCROFT

Consolidated statement of comprehensive income

For the year ended 31 October 2022

	31 October 2022	31 October 2021
	$'000	$'000
Profit/(loss) for the year	52,940	(35,870)
Items that may be reclassified subsequently to profit and loss:		
Exchange (loss)/gain on retranslation of foreign operations	(44,772)	16,552
Total comprehensive income/(expense) for the year	8,168	(19,318)
Attributable to:		
Owners of the Company	1,421	(17,234)
Non-controlling interests	6,747	(2,084)
	8,168	(19,318)

Consolidated balance sheet

As at 31 October 2022

	Notes	2022 $'000	2021 $'000 (Restated)
Non-current assets			
Goodwill	9	123,486	138,149
Intangibles	10	54,317	79,552
Property and equipment	11	14,868	14,919
Deferred tax asset	17	7,712	7,146
		200,383	239,766
Current assets			
Trade and other receivables	13	522,533	506,739
Cash and bank balances	13	94,428	46,627
Assets in disposal groups classified as held for sale	23	16,167	-
		633,128	553,366
Total assets		833,511	793,132
Current liabilities			
Trade and other payables	14	(591,771)	(326,677)
Current tax liabilities		(9,013)	(3,508)
Borrowings	15	(112,950)	(80,985)
Total liabilities associated with assets held for sale	23	(8,627)	-
		(722,361)	(411,170)
Net current (liabilities)/assets		(89,233)	142,196
Non-current liabilities			
Borrowings	15	-	(259,208)
Deferred tax liabilities	17	(11,993)	(14,032)
Other non-current liabilities	18	(7,344)	(9,328)
Provisions	22	(9,339)	(23,926)
		(28,676)	(306,494)
Total liabilities		(751,037)	(717,664)
Net assets		82,474	75,468
Equity			
Share capital	19	1	1
Share premium		219,999	219,999
Retained earnings		(317,509)	(363,589)
Merger reserve		217,141	217,141
Translation reserve		(42,858)	1,801
Equity attributable to owners of the Company		76,774	75,353
Non-controlling interests		5,700	115
Total equity		82,474	75,468

The accompanying notes are an integral part of this consolidated balance sheet. The consolidated financial statements of NES Fircroft Limited (Company number 12706788) were approved by the board of directors and authorised for issue on 28 February 2023. They were signed on its behalf by:

S.W. Buckley
Director

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Consolidated cash flow statement

For the year ended 31 October 2022

	Notes	31 October 2022 $'000	31 October 2021 $'000
Cash inflow/(outflow) from operating activities	20	32,893	(54,807)
Investing activities			
Acquisition of subsidiary undertakings	14	(375)	(225)
Purchases of property and equipment	11	(2,472)	(1,134)
Proceeds on disposal of property and equipment		163	20
Purchases of intangibles	10	(1,319)	(2,136)
Net cash outflow from investing activities		(4,003)	(3,475)
Financing activities			
Repayment of borrowings	15	(262,958)	(2,752)
Interest paid		(26,450)	(23,518)
Proceeds from NES Fircroft Bondco AS loan	15	286,464	-
Dividends paid to non-controlling interests		(1,162)	(960)
Finance lease payments	21	(8,353)	(8,513)
Net cash used in financing activities		(12,459)	(35,743)
Net increase/(decrease) in cash and cash equivalents		16,431	(94,025)
Net exchange rate movements	20	3,404	(483)
Cash and cash equivalents at beginning of year		(33,604)	60,904
Cash and cash equivalents at end of year	20	(13,769)	(33,604)

The accompanying notes are an integral part of this consolidated cash flow statement.

Consolidated statement of changes in equity

For the year ended 31 October 2022

	Share capital $'000	Share premium $'000	Retained earnings $'000	Merger reserve $'000	Translation reserve $'000	Non-controlling interests $'000	Total $'000
At 1 November 2020	1	219,999	(329,822)	217,141	(14,732)	3,159	95,746
Net loss for the year	-	-	(33,767)	-	-	(2,103)	(35,870)
Exchange gain on retranslation of foreign operations	-	-	-	-	16,533	19	16,552
Total comprehensive (expense)/income for the year	-	-	(33,767)	-	16,533	(2,084)	(19,318)
Dividends paid to non-controlling interests	-	-	-	-	-	(960)	(960)
At 1 November 2021	1	219,999	(363,589)	217,141	1,801	115	75,468
Net profit for the year	-	-	46,080	-	-	6,860	52,940
Exchange loss on retranslation of foreign operations	-	-	-	-	(44,659)	(113)	(44,772)
Total comprehensive income/(expense) for the year	-	-	46,080	-	(44,659)	6,747	8,168
Dividends paid to non-controlling interests	-	-	-	-	-	(1,162)	(1,162)
At 31 October 2022	1	219,999	(317,509)	217,141	(42,858)	5,700	82,474

NES FIRCROFT

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

1 GENERAL INFORMATION

NES Fircroft Limited is a private company limited by shares, registered in England and Wales and incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is Station House, Stamford New Road, Altrincham, WA14 1EP. The nature of the Group's operations and its principal activities are set out in the Strategic report and the Directors' report on pages 3 to 34. These financial statements are presented in US dollars because that is the currency of the primary economic environment in which the Group operates. Foreign operations are included in accordance with the policies set out below in note 2.

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are set out below.

Basis of accounting
The financial statements have been prepared in accordance with UK adopted international accounting standards and International Financial Reporting Standards as issued by the European Union in conformity with the requirements of the Companies Act 2006.

The financial statements have been prepared on the historical cost basis unless otherwise specified under the accounting policies listed in note 2. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Going concern
The Group's business activities are described in note 1. The Group has significant unutilised working capital financing facilities in place and manages its day-to-day working capital requirements through short- and medium-term credit facilities which ensures that it can meet its liabilities as and when they fall due. The client base consists of customers with strong credit ratings and credit insurance is maintained for key clients, further reducing risk.

On 14 September 2022, NES Fircroft Bondco AS a member of the wider NES Fircroft Group, secured committed funding via a senior secured bond which was used for the repayment of the senior term loan held within the NES Fircroft Group. The bond is due for repayment in 2026 and attracts interest at 11.75%. The Group also secured committed funding via a $72m revolving credit facility which replaced the existing revolving credit facility. The new facility matures in 2026.

To facilitate the repayment of the senior term loan, NES Fircroft Bondco AS granted a loan of $286,464,000 to NES Fircroft Limited, which is repayable on demand. As the NES Fircroft Group is dependent on this loan for its ongoing financing the directors of NES Fircroft Limited have sought and obtained a letter of support from NES Global Talent Limited (the ultimate parent of NES Fircroft Bondco AS) to continue to provide financial support and to fund any obligations of the company for a period of at least 12 months from the date of these financial statements.

The combined Group facilities in place at 31 October 2022 consist of a $72 million revolving credit facility and $157 million of invoice discounting facilities. Subsequent to year end, the revolving credit facility was increased by $12 million to $84 million. Despite the continued increase in trade since year end, the Group had undrawn committed facilities of $97,364,000 at 31 January 2023, showing the Group continues to have significant unutilised financing facilities in place.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group expects to operate within the level of its current facilities and covenants. Scenario analysis has been performed on these forecasts, taking into account upside and downside sensitivities to flex EBITDA by 10%. The key sensitivities within the forecasts are current and future growth in trading performance. As such, management would consider mitigating actions to manage the growth of the business in line with the facilities that are in place, if required. The forecasts showed ongoing compliance with financial covenants and no liquidity issues for the period to the end of February 2024.

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

2 SIGNIFICANT ACCOUNTING POLICIES

Going concern (continued)
In line with current FRC guidance a reverse stress test was also performed which shows that EBITDA would need to rise or fall by more than double the above sensitised amounts before a breach in financial covenants would occur. The directors consider the likelihood of such a scenario to be remote.

The directors have a reasonable expectation that the NES Fircroft Group has adequate resources to continue in operational existence for the foreseeable future and therefore support all its subsidiaries. Accordingly the Group has adopted the going concern basis in preparing the financial statements.

Adoption of new and revised standards
In the current year, the Group has applied a number of amendments to IFRSs issued by the International Accounting Standards Board that are mandatorily effective for an accounting period that begins on or after 1 November 2021. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS16 *Interest Rate Benchmark Reform – Phase 2*	The amendment provides specific guidance on how to treat financial assets and financial liabilities where the basis for determining the contractual cash flows changes as a result of interest rate benchmark reform. They further require that an entity provide disclosures that enable a user to understand the nature and extent of risks Prising from interest rate alternative benchmark reform, how the entity is managing those risks, its progress in completing the transition from interest rate benchmarks to alternative benchmark interest rates and how it is managing the transition.

New and revised IFRSs in issue but not yet effective
At the date of authorisation of these financial statements, the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective:

Amendments to IFRS 17	*Insurance Contracts and initial application*
Amendments to IAS 1	*Classification of liabilities as Current or Non-Current and Disclosure of accounting policies*
Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of accounting policies*
Amendments to IAS 8	*Definition of accounting estimates*
Amendments to IFRS 3	*Reference to the Conceptual Framework*
Amendments to IFRS 4	*Extension of Temporary Exemption from Applying IFRS9*
Amendments to IAS 12	*Deferred Tax related to Assets and Liabilities arising from a single transaction*
Amendments to IAS 16	*Property, Plant and Equipment – Proceeds before Intended Use*
Amendments to IAS 37	*Onerous contracts – Costs of fulfilling a contract*
Annual Improvements to IFRS Standards 2018-2020 Cycle	*Amendments to IFRS 9 Financial Instruments and IFRS 16 Leases*

It is not practical to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 October each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. Note 13 of the Company only financial statements includes a list of investments of NES Fircroft Limited.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of incorporation or the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations
Acquisitions of subsidiaries and businesses which qualify under IFRS3 are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Revenue recognition
Revenue is recognised on the basis of hours worked for contractors hired out, on the start date for permanent placements, and on the basis of work performed for project management services. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, rebates, VAT and other sales-related taxes. All revenue is recorded in accordance with IFRS15. Revenue is generated from contractual agreements with customers. These agreements allocate the consideration payable to the performance obligations defined in the contract. Revenue is recognised once the performance obligations defined by the contract are achieved.

Operating profit
Operating profit is stated after charging exceptional items and management recharges, but before finance costs and tax.

Borrowing costs
Directly attributable costs of a new debt instrument are capitalised and spread over the term of the instrument. All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

2 SIGNIFICANT ACCOUNTING POLICIES

Interest income
Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Exceptional items
Exceptional items are those that the directors consider need to be disclosed separately in the financial statements to provide a true and fair view by virtue of their size or incidence, including the frequency and predictability of occurrence; all exceptional items are charged in arriving at operating profit in the financial statements (note 4).

Goodwill and gain on bargain purchase
Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. A gain on bargain purchase arising on consolidation represents the amount in which the fair value of identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity exceeds the cost of acquisition. A gain on bargain purchase is recognised immediately within the income statement. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

For the purpose of impairment testing, goodwill is allocated into separate cash-generating units and is tested for impairment annually, or more frequently when there is an indication that it may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit and then to other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangible assets – customer relationships and brands
The Group recognises an intangible in respect of customer relationships and brands acquired in business combinations. The fair value of customer relationships has been arrived at by preparing value in use calculations to calculate the present value of future cash flows based on current trading profitability for the top customers. The fair value of a brand is calculated by projecting the revenue supported by the brand and estimating the royalty savings made through its ownership. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and risks.

Customer relationships and brands are amortised straight line over their useful economic lives which is eight and ten years respectively, or less if considered appropriate.

Intangible assets – computer software
The Group recognises an intangible asset in respect of computer software. An asset arising from the Group's software development is recognised only if all of the following conditions are met:

- an asset is created that can be identified;
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Computer software is amortised on a straight-line basis over its useful economic life, which is estimated at three to five years. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

NES FIRCROFT

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

2 SIGNIFICANT ACCOUNTING POLICIES

Impairment of tangible and intangible assets excluding goodwill
At each balance sheet 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 the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of each cash generating unit to which the asset belongs. 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 risk specific to the asset for which the estimates of future cash flows have not been adjusted.

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

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised as income immediately, 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.

Leasing
Lease contracts entered into by the Group are recognised as a right of use asset and corresponding liability at the date of which the leased asset is available for use by the Group. A right of use asset and lease liability in respect of each lease is recognised in the Group balance sheet at the present value of the lease payments that are unpaid at the commencement date. The lease payments are discounted to their present value using the Group's incremental borrowing rate. The weighted average incremental borrowing rate applied to lease liabilities during the year is 8.9% (2021: 8.9%). Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Group applies the cost model to subsequently measure right of use assets, applying the depreciation requirements in IAS 16 Property, Plant and Equipment by depreciating right of use assets on a straight-line basis over the lease term. Right of use assets are assessed annually for impairment on a lease-by-lease basis and any impairment charge recognised is taken to the income statement. Right of use assets are adjusted for any remeasurement of the lease liability, which is undertaken if there is a change in the lease term or there is an option to purchase the underlying asset.

Lease liabilities are subsequently measured after initial recognition by increasing the carrying amount to reflect interest on the lease liabilities and reducing the carrying amount to reflect lease payments made. The carrying amount of lease liabilities is also adjusted to reflect any reassessment or lease modifications. In the event that lease incentives are received to enter into any leases, such incentives are incorporated on initial measurement of the lease liability.

When applying IFRS 16, the Group has used the following practical expedients permitted by the standard:
- use of a single discount rate to a portfolio of leases with reasonably similar characteristics; and
- an election to exclude leases of low value from the requirements of lease accounting under IFRS 16, with the rentals payable under this group of leases charged to the income statement on a straight-line basis over the term of the lease term.

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

2 SIGNIFICANT ACCOUNTING POLICIES

Retirement benefit costs
The Group operates defined contribution pension schemes for a number of its staff and directors. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. The pension balance owing at year end for staff and contractors held on the consolidated balance sheet is $2,494,000 (2021: $3,200,000).

Property and equipment
Property and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method, unless otherwise indicated, on the following bases:

Leasehold improvements	over the shorter of the lease term or five years
Computer equipment	over three years
Fixtures, fittings and equipment	over five years
Motor vehicles	over four years
Right of use assets	over the lease term

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Foreign currencies
The individual financial statements of each Group company are prepared in the currency of the primary economic environment in which it operates (its functional currency). The presentational and functional currency of NES Fircroft Limited and its consolidated financial statements is US dollars.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the year in which they arise except for:

- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in the Group's other comprehensive income and accumulated in equity.

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

2 SIGNIFICANT ACCOUNTING POLICIES

Taxation
The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 income statement, 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 when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Reserves

Translation reserve
Exchange differences relating to the translation of the net assets of the Group's subsidiaries, from their functional currencies to US dollars, are recognised directly in the translation reserve. Exchange differences arising on monetary items that form part of the Group's net investment in a foreign operation are recognised in the translation reserve.

Merger reserve
Following incorporation, NES Fircroft Limited acquired the entire share capital of NES Global Talent Holdings Limited. Although the transaction resulted in NES Global Talent Holdings Limited becoming a wholly owned subsidiary of NES Fircroft Limited, the shareholders of NES Global Talent Holdings Limited acquired a controlling interest in NES Fircroft Limited and the transaction was therefore accounted for using the principles of merger accounting.

This was not a business combination under IFRS3 therefore under merger accounting principles, there is no goodwill created and the difference between the nominal value of the shares issued and the NES Global Talent Holdings Limited balances recognised, was adjusted to the merger reserve.

Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2022

2 SIGNIFICANT ACCOUNTING POLICIES

Provisions (continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets subsequently measured either at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVPL'). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

Trade receivables, loans and other receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Trade receivables, loans and other receivables are assessed for indicators of impairment at each balance sheet date. They 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 of the investment have been impacted.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

The Group recognises an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. For trade receivables and other assets not impaired individually, the Group applies a simplified approach in calculating expected credit losses. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

2 SIGNIFICANT ACCOUNTING POLICIES

Financial instruments (continued)
Cash and bank balances
Cash and bank balances comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Financial liabilities
Loans and borrowings
Loans and borrowings are initially measured at fair value, net of transaction costs. Loans and borrowings are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Critical accounting judgements and key sources of estimation uncertainty
In applying the Group's accounting policies, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. These 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies
The directors consider there to be no critical judgements in applying the groups accounting policies in the current year.

Key sources of estimation uncertainty
The directors consider a key source of estimation uncertainty to relate to the level of provision required to settle outstanding legal and tax claims. Due to the complex nature of these provisions, actual costs may differ to the originally estimated provision – see note 22.

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2022

3 SEGMENTAL REPORTING

The Group reports under IFRS 8 Operating Segments which requires that the Group identifies its Chief Operating Decision Maker ("CODM"), which is currently considered to be the Directors. From the information supplied to the CODM, the Group should identify the operating segments. As most customers are global, the CODM reviews performance on a global basis and therefore management consider there to be one operating segment. All revenue from this segment arises from the provision of services via contractual agreements with customers. Turnover, profit before taxation, assets and liabilities are attributable to the activity of hiring out and permanent placement of personnel to provide engineering services, and additionally for the provision of project management and project engineering services.

4 EXCEPTIONAL EXPENDITURE

	31 October 2022 $'000	31 October 2021 $'000
Deal costs	4,909	7,793
Restructuring	1,409	14,699
Legal matters	1,124	8,453
Tax matters	(11,244)	(3,708)
	(3,802)	27,237

The tax impact of the above exceptional administrative expenses is approximately $2,010,000 credit (2021: $3,560,000 credit).

Exceptional expenditure relating to discontinued operations not included in the above totals $1,569,000 (2021: $206,000).

Deal costs – fees and other costs directly attributable to completed or proposed transactions.

Restructuring – relate to various restructuring activities across the Group.

Legal and tax matters – relate to charges and credits for one-off or significant legal and tax matters. Allowance for the legal and tax claims when not settled during the year are included in the provisions balance within note 22.

5 FINANCE COSTS

	31 October 2022 $'000	31 October 2021 $'000
Interest payable on bank loans, loan notes and overdrafts	26,481	23,447
Interest payable to related parties	2,589	-
Interest receivable from related parties	(300)	(183)
Amortisation of debt issue costs (note 15)	1,831	1,853
Debt issue costs written off (note 15)	1,165	-
Interest on lease liabilities	1,020	1,109
Non-cash foreign exchange (gains)/losses on group loan retranslations	(19,237)	5,277
	13,549	31,503

Finance costs relating to discontinued operations not included in the above total $2,031,000 (2021: $1,183,000).

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

6 PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS

Profit/(loss) before tax from continuing operations is stated after charging:

	31 October 2022 $'000	31 October 2021 $'000
Depreciation of right of use assets (note 11)	6,759	6,857
Depreciation of other property and equipment (note 11)	1,516	2,299
	8,275	9,156
Amortisation of intangible assets (note 10)	17,406	20,751
(Gain)/loss on disposal of property and equipment (note 11)	(46)	33
Staff costs (note 7)	110,155	90,221
Auditor's remuneration for audit and non-audit services (below)	3,041	1,825
Rental of low value assets	75	76

The analysis of auditor's remuneration is as follows:

	31 October 2022 $'000	31 October 2021 $'000
Auditor's remuneration for audit services – parent's consolidated financial statements	72	72
Auditor's remuneration for audit services – subsidiaries' financial statements	1,738	1,439
Total audit fees	1,810	1,511
Tax services – compliance	341	145
Tax services – advisory	-	169
Other fees – corporate finance services	890	-
Total non-audit fees	1,231	314
Total fees	3,041	1,825

7 STAFF COSTS

The average monthly number of employees (including executive directors) from was:

	31 October 2022 Number	31 October 2021 Number
Sales and administration	1,735	1,511

Included in the above are employees from discontinued operations totalling 198 (2021: 237).

	2022 $'000	2021 $'000
Their aggregate remuneration (including executive directors) comprised:		
Wages and salaries	102,814	83,561
Social security costs	5,742	5,670
Pension costs	1,599	990
	110,155	90,221

See note 25 for details of key management compensation.

Staff costs relating to discontinued operations not included in the above total $2,606,000 (2021: $3,295,000).

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

8 TAX

	31 October 2022 $'000	31 October 2021 $'000
Current tax expense		
Current tax on profits for the year	22,035	17,401
Current tax – prior period adjustments	(1,103)	(4,536)
Total current tax charge	20,932	12,865
Deferred tax		
Deferred tax – origination and reversal of temporary differences	(997)	(4,268)
Deferred tax – prior period adjustments	(219)	1,163
Total deferred tax credit	(1,216)	(3,105)
Continuing and discontinued operations		
Income tax expense from continuing operations	18,656	8,585
Income tax expense from discontinued operations	1,060	1,175
Total current tax charge	19,716	9,760

The UK corporation tax rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020 reversing the previously enacted reduction in rate from 19% to 17%. An increase in the UK corporation tax rate from 19% to 25% from 1 April 2023 was included in Finance Act 2021 and substantively enacted on 24 May 2021.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Deferred tax is provided at a rate of 25% in the UK in accordance with Finance Act 2021. Deferred tax is provided based on the rate prevailing when the deferred tax balances are expected to reverse in the future.

Deferred tax balances in other jurisdictions have been valued at future corporation tax rates substantively enacted by the balance sheet date in the respective jurisdictions, again on the basis of when they are expected to reverse in the future.

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2022

8 TAX

The tax charge for the year can be reconciled as follows:

	31 October 2022 $'000	31 October 2021 $'000
Profit/(loss) for the year	52,940	(35,870)
Income tax expense (including income tax on discontinued operations)	19,716	9,760
Profit/(loss) before tax	72,656	(26,110)
Profit/(loss) before tax multiplied by the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	13,805	(4,961)
Effects of:		
Expenses not deductible	1,844	4,331
Adjustments in respect of current income tax of previous years	(1,103)	(4,536)
Adjustments in respect of deferred tax of previous years	(219)	1,163
Deferred tax not provided	3,707	5,867
Interest not deductible	2,540	3,037
Group relief (claimed)/surrendered outside of the consolidation	(2,283)	785
Use of unrecognised tax losses brought forward	(1,449)	(694)
Deferred tax rate change adjustment	326	(19)
Deferred tax on short-term timing differences not previously recognised	1,890	(1,557)
Impact of overseas subsidiaries being taxed locally and in the UK	(582)	(530)
Adjustments in respect of withholding taxes	3,327	8,530
Adjustments in respect of other taxes	2,735	347
Effect of overseas corporation tax rates	(4,822)	(2,003)
Tax charge for the year	19,716	9,760

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

9 GOODWILL

	AMEA (Asia, Middle East and Africa) $'000	Americas $'000	Europe and CIS $'000	Total $'000
Cost				
At 1 November 2020, 31 October 2021 and 31 October 2022	30,266	66,822	51,825	148,913
Exchange rate movements				
At 1 November 2020	(5,870)	(3,613)	(8,130)	(17,613)
Exchange rate movements	1,645	1,016	4,188	6,849
At 1 November 2021	(4,225)	(2,597)	(3,942)	(10,764)
Exchange rate movements	(4,136)	(2,549)	(7,978)	(14,663)
At 31 October 2022	(8,361)	(5,146)	(11,920)	(25,427)
Carrying amount				
At 31 October 2022	21,905	61,676	39,905	123,486
At 1 November 2021	26,041	64,225	47,883	138,149
At 1 November 2020	24,396	63,209	43,695	131,300

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management and extrapolates cash flows to give a 10-year total period, based on no annual growth in the period post detailed budgets. The key assumptions for the value in use calculations are those regarding the discount rates and growth rates. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and risks. The discount rate used in the 2022 impairment review was 13.50% (2021: 8.52%). The Group has carried out a sensitivity analysis on the impairment review which shows that a reasonably possible change of 10% in the discount rate or growth rate would not indicate an impairment.

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2022

10 INTANGIBLES

	Computer software $'000	Customer relationships $'000	Brands $'000	Total $'000
Cost				
At 1 November 2020	11,083	359,632	4,580	375,295
Additions	2,136	-	-	2,136
Disposals	(2,599)	-	-	(2,599)
Exchange rate movements	876	27,156	309	28,341
At 1 November 2021	11,496	386,788	4,889	403,173
Additions	1,319	-	-	1,319
Disposals	-	(11,417)	-	(11,417)
Assets reclassified as held for sale (note 23)	(142)	-	-	(142)
Exchange rate movements	(1,915)	(56,712)	(776)	(59,403)
At 31 October 2022	10,758	318,659	4,113	333,530
Amortisation				
At 1 November 2020	(5,093)	(278,597)	(54)	(283,744)
Charge for the year (note 6 & 23)	(3,670)	(16,600)	(487)	(20,757)
Disposals	2,584	-	-	2,584
Exchange rate movements	(511)	(21,188)	(5)	(21,704)
At 1 November 2021	(6,690)	(316,385)	(546)	(323,621)
Charge for the year	(1,518)	(15,479)	(452)	(17,449)
Disposals	-	11,417	-	11,417
Impairment of assets held for sale (note 23)	(77)	-	-	(77)
Assets reclassified as held for sale (note 23)	142	-	-	142
Exchange rate movements	1,189	49,059	127	50,375
At 31 October 2022	(6,954)	(271,388)	(871)	(279,213)
Carrying amount				
At 31 October 2022	3,804	47,271	3,242	54,317
At 1 November 2021	4,806	70,403	4,343	79,552
At 1 November 2020	5,990	81,035	4,526	91,551

Brands are amortised over their useful economic life, which is estimated at ten years.

Customer relationships are amortised over an eight-year period which is the estimated average length of the underlying relationships. At 31 October 2022 the remaining amortisation period for material customer relationships is between three and four years (31 October 2021: between four and five years).

Computer software is amortised over its useful economic life, which is estimated at three to five years.

In order to test for impairment of intangible assets recognised, the Group prepares cash flow forecasts derived from the most recent financial budgets approved by management. The key assumptions for the value in use calculations are those regarding the discount rates and growth rates. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and risks specific to the group. The discount rate used in the 2022 impairment review was 13.50% (2021: 8.52%). The Group has carried out a sensitivity analysis on the impairment review which shows that a reasonably possible change of 10% in the discount rate or growth rate would not indicate an impairment.

NES FIRCROFT

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

11 PROPERTY AND EQUIPMENT

	Leasehold improvements $'000	Computer equipment $'000	Fixtures, fittings and equipment $'000	Motor vehicles $'000	Right of use assets $'000	Total $'000
Cost						
At 1 November 2020	2,168	3,327	2,262	165	18,445	26,367
Additions	170	924	2	38	6,594	7,728
Disposals	(788)	(986)	(227)	(9)	(5,859)	(7,869)
Exchange rate movements	130	421	127	3	679	1,360
At 1 November 2021	1,680	3,686	2,164	197	19,859	27,586
Additions	680	1,379	413	-	9,065	11,537
Disposals	-	(61)	(1)	(120)	(6,585)	(6,767)
Assets classified as held for sale (note 23)	-	(230)	(111)	-	(522)	(863)
Exchange rate movements	(213)	(647)	(277)	(14)	(2,049)	(3,200)
At 31 October 2022	2,147	4,127	2,188	63	19,768	28,293
Accumulated depreciation						
At 1 November 2020	(766)	(1,772)	(870)	(69)	(5,438)	(8,915)
Charge for the year	(914)	(1,144)	(339)	(58)	(7,492)	(9,947)
Disposals	788	980	196	8	4,937	6,909
Exchange rate movements	(79)	(379)	(86)	(3)	(167)	(714)
At 1 November 2021	(971)	(2,315)	(1,099)	(122)	(8,160)	(12,667)
Charge for the year (note 6 & 23)	(308)	(911)	(360)	(27)	(7,410)	(9,016)
Disposals	-	-	-	94	5,705	5,799
Impairment of assets held for sale (note 23)	-	(136)	(39)	-	(77)	(252)
Assets classified as held for sale (note 23)	-	230	111	-	416	757
Exchange rate movements	153	497	179	11	1,114	1,954
At 31 October 2022	(1,126)	(2,635)	(1,208)	(44)	(8,412)	(13,425)
Carrying amount						
At 31 October 2022	1,021	1,492	980	19	11,356	14,868
At 1 November 2021	709	1,371	1,065	75	11,699	14,919
At 1 November 2020	1,402	1,555	1,392	96	13,007	17,452

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

12 ADJUSTMENT TO GAIN ON BARGAIN PURCHASE

On 18 September 2020, the Group acquired 100% of the issued share capital of Fircroft Engineering Services Limited (Fircroft Group) in exchange for an indirect 10% interest in the newly formed NES Fircroft Limited Group. The Fircroft Group supplies engineering and technical contractors to specialist technical industries such as the oil and gas, renewables, power, chemicals, ICT, mining, automotive and construction sectors.

During the prior year, there was a revision to the value of certain liabilities included in the acquisition balance sheet in an adjustment to the purchase consideration. As a result, the gain on bargain purchase reduced by $12,177,000 to reflect the change in liabilities and additional consideration due. This was recognised as an expense in the gain on bargain purchase in the consolidated income statement in the prior year.

13 OTHER CURRENT ASSETS

Trade and other receivables

	2022 $'000	2021 $'000
Amounts receivable for the sale of services	441,171	404,118
Allowance for doubtful debts	(4,245)	(4,691)
	436,926	399,427
Other debtors	23,509	27,652
Amounts receivable from related parties (note 25)	6,778	6,021
Prepayments	9,243	6,962
Accrued income	46,077	66,677
	522,533	506,739

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost. Amounts owed by related parties are unsecured, interest bearing and repayable on demand.

The ageing of trade receivables net of the allowance for doubtful debts and the expected credit loss percentage used for each ageing bucket (see further details below) at the reporting date was:

	Net trade receivables		Expected credit loss %	
	2022 $'000	2021 $'000	2022	2021
Not past due	382,883	349,999	1%	1%
Past due 0 – 30 days	36,908	32,541	1%	1%
Past due 31 – 60 days	6,769	7,117	2%	2%
Past due 61 – 90 days	2,742	3,182	2%	2 to 5%
More than 90 days	7,624	6,588	2%	2 to 6%
	436,926	399,427		

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

13 OTHER CURRENT ASSETS

Trade receivables

The Group carries a provision for doubtful debts of $4,245,000 (2021: $4,691,000) against trade receivables of $441,171,000 (2021: $404,118,000). Management maintains a policy of periodically reviewing all debtor balances for recoverability. The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. There has been no change in the estimation techniques during the current reporting period. Other classes within trade and other receivables do not contain impaired assets.

The carrying amount of financial assets represents the maximum credit exposure. No interest is charged on the receivables. Trade receivables are provided for based on estimated irrecoverable amounts from the sale of services, determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. Doubtful debts written off which have been previously provided for were immaterial in the current and prior year.

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed regularly.

Trade receivables disclosed above include amounts which are past due at the reporting date but against which the Group has not recognised an allowance for doubtful receivables because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral or other credit enhancements over these balances, nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

The maximum exposure to credit risk for gross trade receivables at the reporting date by geographic region was:

	2022 $'000	2021 $'000
AMEA (Asia, Middle East and Africa)	192,187	167,978
Americas	144,071	110,414
Europe and CIS	104,913	125,726
	441,171	404,118

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

Cash and bank balances
Cash and bank balances comprise cash held by the Group and short-term bank deposits with a maturity of three months or less. The carrying amount of these assets approximates their fair value.

	2022 $'000	2021 $'000
Cash and bank balances	94,428	46,627

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Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

14 OTHER CURRENT LIABILITIES

Trade and other payables

	2022 $'000	2021 $'000 (Restated)
Trade payables	182,103	188,882
Sales and payroll taxes and social security	42,038	57,660
Lease liabilities (note 21)	4,822	4,951
Amounts owing to related parties (note 15, note 25)	292,568	9,568
Accruals and deferred income	68,266	65,616
Contingent consideration (below)	1,974	-
	591,771	326,677

Trade payables and accruals principally comprise amounts outstanding for trade purchases, contractor payroll and ongoing costs. The current financial liabilities shown above arise from the normal trading activities of the Group and are payable in line with normal terms of trade which, on average, are 30 days.

The directors consider that the carrying amount of trade payables approximates their fair value.

On 29 September 2022, NES Fircroft Limited entered into an intercompany agreement with NES Fircroft Bondco AS in which the Company borrowed $286,464,000 to repay the outstanding senior term loan (note 15). This loan can be repaid by or on behalf of the company in whole or in part at any time and they are repayable by or on behalf of the company on the demand of NES Fircroft Bondco AS at any time. Remaining amounts owed to related parties are unsecured, interest bearing and repayable on demand.

Allowance for the deal costs and restructuring costs included within exceptional items disclosed in note 4, when not settled during the year, are included in the accruals and deferred income balance.

Per the requirements of IAS 1:56, all deferred taxation balances are shown as non-current rather than current. The 2021 comparative has been restated as a non-current liability accordingly (see note 17 for further detail).

Contingent consideration represents management's best estimate of future amounts payable in respect of the acquisition of Redbock LLC. As these amounts are due in the year ended 31 October 2023, this amount is now included in other current liabilities (2021: Other non-current liabilities).

Contingent consideration

The movement in contingent consideration in the year is as follows:

	$'000
Contingent consideration at 1 November 2020	971
Remeasurement of liability	724
Unwinding of discounting	123
Contingent consideration at 1 November 2021 (note 18)	1,818
Unwinding of discounting	156
Contingent consideration at 31 October 2022	1,974

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

15 BORROWINGS

	2022 $'000	2021 $'000
Secured borrowings at amortised cost		
Senior term bank loans	-	262,958
Related capitalised costs of raising finance	-	(2,996)
Net senior bank loans	-	259,962
Bank overdrafts	112,950	80,231
	112,950	340,193
Total borrowings		
Amount due for settlement within 12 months	112,950	80,985
Amount due for settlement after 12 months	-	259,208
	112,950	340,193

The principal features of the Group's borrowings are detailed below:

Senior term bank loans
The balance on the term loan was repaid in full during September 2022, when the NES Fircroft Group secured committed funding via a senior secured bond, totalling $300,000,000. The bond is held by NES Fircroft Bondco AS, an entity which sits above this level of consolidated financial statements (note 14, note 25). It was listed on Börse Frankfurt on 11 October 2022, is due for repayment in 2026 and incurs interest at 11.75%.

Subsequent to the issue of the bond, NES Fircroft Bondco AS granted a loan of $286,464,000 to NES Fircroft Limited to enable repayment of the term loan and continued funding of the NES Fircroft Group. Interest accrues on this intercompany loan at a fixed rate of 11.8% throughout the year and the loan is repayable on demand.

$1,831,000 (2021: $1,853,000) of capitalised costs of raising the refinanced and extended senior loan facility were amortised to finance charges in the income statement during the year. The remaining capitalised costs totalling $1,165,000 were written off during the year, following the repayment of the senior term bank loan.

Bank overdrafts
On 11 May 2018, the Group refinanced and extended its existing RCF until 11 November 2022. On 18 September 2020, the NES Global Talent Group entered into a business combination with Fircroft Engineering Services Limited and its subsidiaries ('Fircroft Group'). An amendment of the existing credit agreement was signed to support the new combined group extending the RCF to $72m.

In the prior year, an amendment to the senior facilities agreement was signed, which extended the maturity of the existing RCF until March 2023.

During September 2022, the existing RCF was replaced by a new $72m revolving credit facility. The new facility matures in 2026. As at 31 October 2022, $nil (2021: $nil) was drawn down in both US dollar and sterling currencies. Subsequent to year end, the revolving credit facility was increased by $12 million to $84 million.

There is access to various local overdraft and invoice discounting facilities, secured against trade debtors. At 31 October 2022, $112,950,000 (2021: $80,231,000) was drawn down on these facilities.

The Group has undrawn committed facilities at 31 October 2022 of $106,368,000 (2021: $155,349,000).

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Notes to the consolidated financial statements (continued)

For the year ended 31 October 2022

16 FINANCIAL INSTRUMENTS

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the consolidated financial statements.

Categories of financial instruments

	2022	2021
Financial assets	$'000	$'000
Cash	94,428	46,627
Debtors	443,702	401,577
Financial liabilities		
Overdrafts	112,950	80,231
Liabilities measured at amortised cost	486,837	473,664

The directors consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the financial statements approximate to their fair values.

Financial assets – Cash and cash equivalents

These comprise cash held by the company and short-term bank deposits with an original maturity of three months or less.

Financial assets – Trade receivables

These comprise trade and other receivables and details are given in note 13 to the consolidated financial statements.

Financial liabilities – Trade and other payables

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days. The carrying amount of trade payables approximates to their fair value.

Financial liabilities – Borrowings

Details of bank loans and loan notes are given in note 15 to the consolidated financial statements.

Financial risk management objectives

The Group's board and treasury function monitor and manage the financial risks relating to the operations. These risks include currency exposure, credit risk, liquidity risk and cash flow interest risk. The Group's activities primarily expose it to risks of changes in interest rates and to changes in foreign currency rates. The principal risks are detailed below together with details of how these are mitigated.

Capital and liquidity risk management

The Group manages its capital to ensure that all entities within the Group continue as a going concern. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 15, cash and cash equivalents and equity attributable to the equity holders of the parent comprising issued share capital and retained earnings disclosed in the Statement of changes in equity and note 19. The Group manages liquidity risks by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows. The available undrawn committed facilities of the Group at 31 October 2022 are set out in note 15.

Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group maintaining an appropriate mix between fixed and floating rate borrowings. If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit (2021: loss) before tax for the year ended 31 October 2022 would decrease by $1,380,000/increase by $1,062,000 (2021: increase by $468,000/decrease by $468,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

16 FINANCIAL INSTRUMENTS

Interest rate risk management (continued)
The Group is exposed to risks arising from the interest rate benchmark reform. The changes will impact invoice discounting facilities held across various jurisdictions as LIBOR continues to be replaced with alternative benchmark interest rates. Agreements have been refreshed in line with the timing of the cessation of LIBOR rates to include the relevant presiding rate. The Group does not expect the changes to have a material impact.

Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group conducts credit checks on all potential customers and suppliers before entering into any contracts using independent rating agencies and other publicly available information. The Group's exposure is constantly monitored and forms part of the monthly reporting to the board of directors.

Trade receivables consist of balances owed from many customers across the Group and geographies. The majority of customers by value are blue chip companies within the oil and gas sector. The Group's exposure to individuals and credit risk is detailed in note 13.

Foreign currency exchange risk
Due to the nature of its business, the Group engages in foreign currency denominated transactions. Further, the Group is exposed to movements in foreign currency exchange on its investments in foreign subsidiary companies.

The Group does not use derivative instruments to protect against the volatility associated with foreign currency transactions and investments and other financial assets and liabilities created in the ordinary course of business. Revenues and expenses are transacted in the same foreign currency as far as possible to achieve a natural hedge.

The following significant exchange rates were applied during the year:

	Average rate		Reporting date spot rate	
	31 October 2022	31 October 2021	31 October 2022	31 October 2021
UK sterling	0.786	0.728	0.861	0.724
Euro	0.927	0.836	1.005	0.856
Australian dollar	1.413	1.328	1.558	1.325
Norwegian krone	9.264	8.618	10.330	8.330

The Group's exposure to foreign currency risk based on currency balances held as at 31 October 2022 are as follows:

	Monetary assets		Monetary liabilities	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
UK sterling	1,909	3,713	(4,131)	(4,616)
Euro	8,101	5,796	(2,280)	(4,826)
Australian dollar	1,397	6,963	(1,070)	(4,873)
Norwegian krone	7,314	8,247	(7,094)	(6,720)
Other	13,527	17,217	(14,331)	(11,546)
	32,248	41,936	(28,906)	(32,581)

'Other' includes assets and liabilities denominated in foreign currencies, other than GBP, Euros, Australian dollars and Norwegian krone, including UAE dirham, Saudi riyals, Malaysian ringgit, Canadian dollars, Singapore dollars and Iraqi dinar.

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

16 FINANCIAL INSTRUMENTS

Foreign currency exchange risk (continued)
The following table details the Group's sensitivity to a 10% increase and decrease in US Dollar year end rate against the relevant foreign currencies. This sensitivity rate represents management's assessment of the reasonably possible change in foreign exchange rates. The numbers below represent the movement on profit and other equity where US Dollar weakens 10% against the relevant currency. For a 10% strengthening of US Dollar against the relevant currency, there would be a comparable opposite impact on the profit and other equity.

	Profit or loss and equity	
	2022	2021
	$'000	$'000
Sterling	(34)	(1,405)
Euros	57	142
Australian dollar	6	(69)
Norwegian krone	94	(220)

17 DEFERRED TAXATION

The following are the major deferred tax assets and liabilities recognised by the Group in the year.

	Intangibles $'000	Losses $'000	Other short term timing differences $'000	Total $'000
At 1 November 2020	(13,857)	3,393	778	(9,686)
Rate change adjustment	-	9	(4)	5
Balance sheet reclassification	-	(231)	1,063	832
Credit/(charge) to the income statement	2,839	(1,625)	1,891	3,105
Exchange rate movements	(1,400)	74	184	(1,142)
At 1 November 2021	(12,418)	1,620	3,912	(6,886)
Balance sheet reclassification	-	-	(101)	(101)
Credit/(charge) to the income statement	2,035	(40)	(779)	1,216
Rate change adjustment	(326)	-	-	(326)
Exchange rate movements	1,928	(135)	23	1,816
At 31 October 2022	(8,781)	1,445	3,055	(4,281)

Deferred tax assets and liabilities have been offset where the Group has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2022	2021
	$'000	$'000
		(Restated)
Deferred tax liabilities – non-current	(11,993)	(14,032)
Deferred tax assets – non-current	7,712	7,146
	(4,281)	(6,886)

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

17 DEFERRED TAXATION

Per the requirements of IAS 1:56, all deferred taxation balances should be classified as non-current rather than current. Accordingly, the 2021 comparative of $4,383,000 for deferred tax liabilities – current has been reclassified as a non-current liability and as a result, the amount of deferred tax liabilities – current (included with Trade and other payables) has decreased from $4,383,000 to nil and the amount of deferred tax liabilities – non-current has increased from $9,649,000 to $14,032,000.

At the balance sheet date, the Group has unused tax losses of $64,432,000 (2021: $70,084,000) and deferred interest deductions of $68,385,000 (2021: $56,394,000), on which deferred tax has not been recognised. These amounts can be carried forward indefinitely, however it is not probable that future taxable profits and interest income will be available against which they can be utilised.

No deferred tax asset has been recognised at the balance sheet date in respect of non-trading loan relationship deficits in the year that are expected to be offset against future UK taxable profits (2021: $nil).

A deferred tax liability of $2,304,000 (2021: $1,296,000) has been recognised at the balance sheet date in respect of expected tax liabilities on unremitted earnings. Deferred tax has not been recognised on potential withholding tax on unremitted earnings of $2,770,000 (2021: $1,585,000) as it is not likely that these earnings will be remitted in the foreseeable future.

18 OTHER NON-CURRENT LIABILITIES

	2022	2021
	$'000	$'000
Lease liabilities (note 21)	7,344	7,510
Contingent consideration (note 14)	-	1,818
	7,344	9,328

19 CALLED-UP SHARE CAPITAL

	2022	2021
	$'000	$'000
Authorised, allotted, called-up and fully paid		
1,000 ordinary shares of £1 each (2021: 1,000 shares)	1	1

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Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

20 NOTES TO THE CASH FLOW STATEMENT

	31 October 2022 $'000	31 October 2021 $'000
Profit/(loss) from continuing operations	53,858	(38,437)
(Loss)/profit from discontinued operations	(918)	2,567
	52,940	(35,870)
Adjustments for:		
Income tax charge	19,716	9,760
Finance costs	15,580	32,686
Depreciation of property and equipment	9,016	9,947
Gain on bargain purchase	-	12,177
Amortisation and impairment of intangibles	17,449	20,757
Impairment of assets reclassified to held for sale	329	-
(Gain)/loss on disposal of property and equipment	(74)	33
Operating cash flows before movements in working capital	114,956	49,490
Increase in receivables	(56,694)	(165,785)
(Decrease)/increase in payables	(4,347)	67,112
Cash generated from operations	53,915	(49,183)
Income taxes paid	(21,022)	(5,624)
Cash inflow/(outflow) from operating activities	32,893	(54,807)

The cash flow statement does not differentiate between continuing and discontinued operations. The cash flows of discontinued operations are shown separately in note 23.

The cash flow impact of operating exceptional administrative expenses was $5,089,000 (2021: $13,611,000).

Balances at 31 October 2022 comprise:

	31 October 2022 $'000	31 October 2021 $'000
Cash and bank balances	94,428	46,627
Bank overdrafts	(112,950)	(80,231)
Cash and bank balances attributable to discontinued operations	4,753	-
	(13,769)	(33,604)

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2022

20 NOTES TO THE CASH FLOW STATEMENT

Analysis of changes in net debt

	1 November 2021 $'000	Cash flow $'000	Amortisation of debt costs $'000	Debt costs written off $'000	Exchange movements $'000	31 October 2022 $'000
Cash and bank balances	46,627	58,118	-	-	(5,564)	99,181
Overdrafts	(80,231)	(41,687)	-	-	8,968	(112,950)
	(33,604)	16,431	-	-	3,404	(13,769)
Senior term bank loans	(262,958)	262,958	-	-	-	-
Capitalised debt costs	2,996	-	(1,831)	(1,165)	-	-
Net debt	(293,566)	279,389	(1,831)	(1,165)	3,404	(13,769)

Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	1 November 2021 $'000	Cash flows $'000	Interest rolled up $'000	Net lease additions $'000	Exchange movements $'000	31 October 2022 $'000
Borrowings (note 15)	(262,958)	262,958	-	-	-	-
Lease liabilities (note 21)	(12,461)	8,353	(1,065)	(8,041)	1,048	(12,166)
Total	(275,419)	271,311	(1,065)	(8,041)	1,048	(12,166)

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

21 LEASES

Lease assets and liabilities recognised represent contracts entered into by the Group for its office properties and certain vehicles. Rental contracts are typically made for fixed periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. Further detail on the lease accounting policy is included in note 2. The balance sheet and the income statement show the following amounts in respect of leases during the year ended 31 October 2022:

	Leasehold offices $'000	Motor vehicles $'000	Total $'000
Right of use assets			
At 31 October 2021	11,279	420	11,699
Additions	8,501	564	9,065
Cost disposals	(5,675)	(910)	(6,585)
Transfers	(65)	65	-
Depreciation charge	(6,804)	(606)	(7,410)
Depreciation disposals	4,877	828	5,705
Fair value adjustments on assets held for sale (note 23)	(77)	-	(77)
Assets classified as held for sale (note 23)	(37)	(69)	(106)
Foreign exchange translation	(927)	(8)	(935)
At 31 October 2022	11,072	284	11,356

	Leasehold offices $'000	Motor vehicles $'000	Total $'000
Lease liabilities			
At 31 October 2021	12,020	441	12,461
Recognised during the year to 31 October 2022	8,485	563	9,048
Interest expense on lease liabilities	982	38	1,020
Interest expense on lease liabilities from discontinued operations (note 23)	40	5	45
Transfers	(65)	65	-
Lease payments	(7,695)	(658)	(8,353)
Lease disposals	(798)	(82)	(880)
Liabilities reclassified to held for sale (note 23)	(57)	(70)	(127)
Foreign exchange translation	(1,039)	(9)	(1,048)
At 31 October 2022	11,873	293	12,166

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

21 LEASES

Income statement

	2022	2021
	$'000	$'000
Interest expense (note 5)	1,020	1,109
Interest expense relating to discontinued activities (note 23)	45	60
Expense relating to leases of low-value assets – other operating lease rent	75	76
At 31 October 2022	1,140	1,245

At the balance sheet date, the Group recognised lease liabilities in respect of outstanding commitments for future minimum lease payments under non-cancellable lease contracts, which fall due as follows:

	Leasehold offices	Motor vehicles	Total
	$'000	$'000	$'000
Maturity analysis of lease liabilities:			
Current	4,625	197	4,822
Within one to five years	7,248	96	7,344
At 31 October 2022	11,873	293	12,166
Current	4,610	341	4,951
Within one to five years	7,345	165	7,510
At 31 October 2021	11,955	506	12,461

The total cash outflow in the year paid in respect of leases was $8,353,000 (2021: $8,513,000).

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2022

22 PROVISIONS

	Onerous contracts $'000	Legal provision $'000	Tax provision $'000	Total $'000
At 1 November 2021	3,054	6,479	14,393	23,926
Additions	-	1,869	-	1,869
Utilisations	(533)	(287)	(126)	(946)
Releases	(1,911)	-	(13,155)	(15,066)
Exchange rate movements	(444)	-	-	(444)
At 31 October 2022	166	8,061	1,112	9,339

Legal and tax provisions relate to potential exposures arising as a result of one-off or significant legal and tax matters. The directors consider it appropriate to recognise the provisions on the basis that the likelihood of an economic outflow is probable, although significant uncertainty exists over the timing and the amount. The amount provided for is considered appropriate given the past experience of similar items and known facts at 31 October 2022. Due to the complex nature of these matters and the significant uncertainties that exist, it is not practicable to quantify the possible effects of changes to the key sources of estimation uncertainty in the calculation of the provisions nor determine a reasonable expectation of the timing of payments against the provisions.

The directors have challenged and debated the process, key judgements and assumptions associated with the provision and is satisfied that it is appropriate, recognising the estimation uncertainty and degree of estimation involved in its calculation. It is however reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from the assumptions used in the calculation of the provisions could require a material adjustment to the amounts provided.

The onerous contracts provision relates to contracts exited in the prior year. The provision has been measured on the basis of the claim or the remaining amounts due under the contracted obligations.

Following a reassessment of provisions held during the year, $15,066,000 of tax and onerous contracts provisions were released to exceptional items, where the provisions were originally recorded. There still exists a contingent liability for the tax provisions, however the probability of a pay-out in relation to these matters is now considered to be very low.

Allowance for the onerous contracts, legal and tax claims included within exceptional items disclosed in note 4, when not settled during the year, are included in the provisions balance.

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

23 DISCONTINUED OPERATIONS

In early 2022, geopolitical tensions around the Russia and Ukraine conflict escalated and continue to cause uncertainty within the region. Immediately following the Russian invasion, the board resolved to cease all operations in Russia. Post year end, a sale of Fircroft Kazakhstan CIS LLP and Fircroft Kazakhstan LLP was agreed, see note 27 for further information.

These operations have been classified as a disposal group held for sale and presented separately in the statement of financial position. The proceeds of disposal were at nominal value therefore fair value adjustments on non-current assets have been recognised as set out below. The results of the discontinued operations, which have been included in the profit for the year, were as follows:

	31 October 2022 $'000	31 October 2021 $'000
Revenue	145,361	154,523
Expenses	(142,074)	(148,801)
Depreciation and amortisation	(784)	(797)
Finance costs	(2,031)	(1,183)
Attributable tax expense	(1,060)	(1,175)
Impairment on reclassification of assets to held for sale	(328)	-
Net (loss)/profit attributable to discontinued operations	(918)	2,567

The major classes of assets and liabilities comprising the operations classified as held for sale are as follows:

	31 October 2022 $'000
Property and equipment	106
Trade and other receivables	11,308
Cash and bank balances	4,753
Total assets in disposal groups classified as held for sale	16,167
Trade and other payables	(8,597)
Current tax liabilities	(30)
Total liabilities associated with assets held for sale	(8,627)
Net assets of disposal group	7,540

Following the classification of Fircroft Kazakhstan CIS LLP and Fircroft Kazakhstan LLP as discontinued operations, a impairment of $243,000 was recognised on 31 October 2022 to reduce the carrying amount of the assets in the disposal group to their fair value less costs to sell.

On the cessation of activity in Russia and Ukraine, a further write down of $85,000 was recognised to reduce the carrying amount of the property and equipment held in the region. This was recognised in discontinued operations in the statement of profit or loss.

Notes to the consolidated financial statements (continued)
For the year ended 31 October 2022

23 DISCONTINUED OPERATIONS

The net cash flows incurred by the disposals group were:

	31 October 2022 $'000	31 October 2021 $'000
Operating cashflows	3,042	589
Investing cashflows	(192)	(75)
Financing cashflows	(841)	(814)
Total cashflows attributable to discontinued operations	2,009	(300)

24 CONTINGENT LIABILITIES

The Group issues performance and bid bond guarantees in compliance with contracts held with its clients. The amount of outstanding guarantees at the financial year end was $8,889,000 (2021: $9,567,000).

25 RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Company and its other related parties are disclosed below.

Transactions with entities that have significant influence over the Group
AEA Investors LP manage and advise the funds which are limited partners of NES Global Talent LP (note 26).

The Group incurred fees and expenses during the year to AEA Investors LP of $645,000 (2021: $687,000). At the balance sheet date $145,000 (2021: $101,000) was owed to AEA Investors LP which is included within trade payables.

Transactions with other related parties
Fircroft Engineering Services Holdings Limited
Fircroft Engineering Services Holdings Limited holds an indirect non-controlling interest in NES Fircroft Limited and its subsidiaries.

As of the balance sheet date, there is an outstanding loan of $4,280,000, (2021: $3,871,000) owed by Fircroft Engineering Services Holdings Limited to NES Fircroft Limited.

Loans payable between NES Fircroft Limited and Fircroft Engineering Services Holdings Limited accrued interest payable of $166,000 during the year (2021: $141,000).

NES Global Talent Holdco Limited
NES Global Talent Holdco Limited holds an indirect controlling interest in NES Fircroft Limited and its subsidiaries.

As of the balance sheet date, there is an outstanding loan of $2,006,000, (2021: $2,041,000) owed by NES Global Talent Holdco Limited to NES Fircroft Limited.

Loans payable between NES Fircroft Limited and NES Global Talent Holdco Limited accrued interest payable of $119,000 during the year (2021: $31,000).

NES Fircroft Midco Limited
NES Fircroft Midco Limited holds an indirect controlling interest in NES Fircroft Limited and its subsidiaries.

As of the balance sheet date, there is an outstanding loan of $491,000, (2021: $109,000) owed by NES Fircroft Midco Limited to NES Fircroft Limited.

Loans payable between NES Fircroft Limited and NES Fircroft Midco Limited accrued interest payable of $15,000 during the year (2021: $nil).

Notes to the consolidated financial statements (continued)

For the year ended 31 October 2022

25 RELATED PARTY TRANSACTIONS

NES Fircroft Group Limited
NES Fircroft Group Limited holds an indirect controlling interest in NES Fircroft Limited and its subsidiaries.

As of the balance sheet date, there is an outstanding loan of $9,450,000, (2021: $9,568,000) owed by NES Fircroft Limited to NES Fircroft Group Limited.

NES Fircroft Bondco AS
NES Fircroft Bondco AS holds a controlling interest in NES Fircroft Limited and its subsidiaries.

During the year, NES Fircroft Bondco AS secured a bond totalling $300,000,000. The bond is due for repayment in 2026 and attracts interest at 11.75%. $286,464,000 of this debt has been passed through to NES Fircroft Limited, attracting interest of 11.8% (note 15). Interest of $2,589,000 was accrued during the year. The total amount owed to NES Fircroft Bondco AS at balance sheet date, is $283,118,000.

Key management compensation
The remuneration of key management personnel is set out below:

	31 October 2022	31 October 2021
	$'000	$'000
Short-term employee benefits	4,086	3,809

The highest paid director's total emoluments in the year were $888,000 (2021: $861,000) of which $nil (2021: $nil) related to pension costs.

Total emoluments paid to statutory directors in the year were $1,693,000 (2021: $1,640,000) of which $2,000 (2021: $nil) related to pension costs.

During the year two (2021: none) directors accrued benefits under money purchase pension schemes.

The Group had no other material related party transactions which might reasonably be expected to influence decisions made by the users of these financial statements.

26 ULTIMATE PARENT AND ULTIMATE CONTROLLING PARTY

The directors consider NES Global Talent Limited, a company incorporated in England and Wales, to be the ultimate parent company. NES Global Talent Limited is wholly owned by NES Global Talent LP, a Scottish limited partnership, of which the limited partners are funds managed and advised by AEA Investors LP, certain co-investors and management. The registered office and place of business of NES Global Talent LP is Ogier House, The Esplanade, St Helier, Jersey, JE4 9WG. The general partner of NES Global Talent LP is NES Global Talent GP Limited which is controlled by AEA Management (Cayman) Limited.

The parent undertaking of the largest group in which these financial statements are consolidated is NES Global Talent Limited. The parent undertaking of the smallest group in which these financial statements are consolidated is NES Fircroft Limited. Copies of the financial statements of NES Global Talent Limited are available from its registered office at Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP.

27 POST BALANCE SHEET EVENTS

On 13 December 2022, a sale of Fircroft Kazakhstan LLP and Fircroft Kazakhstan CIS LLP was agreed for proceeds of $nil. On 2 February 2023, the Group acquired Evolve Scientific Recruitment Pty Limited for consideration of AUD$32,000,000 ($22,642,000). The company, based in Australia, specialises in scientific and technical recruitment. Given the proximity of the date of acquisition to the authorisation of the accounts for signing, further disclosure is impracticable.

Company income statement

For the year ended 31 October 2022

		Year ended 31 October 2022 $'000	Period ended 31 October 2021 $'000
Other administrative expenses		(332)	(395)
Exceptional expenditure	2	(4,027)	(5,369)
Administrative expenses		(4,359)	(5,764)
Distribution following intercompany loans forgiven		17,973	-
Other operating income		-	164
Operating profit/(loss)		13,614	(5,600)
Finance costs	3	(26,892)	(25,749)
Loss before tax	4	(13,278)	(31,349)
Tax charge	5	-	-
Loss for the period		(13,278)	(31,349)

The Company has no recognised gains or losses other than the loss for the financial period shown above. Accordingly, a separate statement of other comprehensive income has not been prepared.

The accompanying notes are an integral part of this income statement.

Company balance sheet

As at 31 October 2022

	Notes	2022 $'000	2021 $'000
Fixed assets			
Investments	6	220,800	220,800
Non-current other receivables	7	238,427	-
Total fixed assets		459,227	220,800
Current assets			
Trade and other receivables	8	7,243	247,477
Cash at bank and in hand		2,123	44
Total current assets		9,366	247,521
Total assets		468,593	468,321
Current liabilities			
Trade and other payables	9	(293,220)	(20,462)
Net current (liabilities)/assets		(283,854)	227,059
Non-current liabilities			
Other non-current liabilities	10	-	(259,208)
Net assets		175,373	188,651
Capital and reserves			
Called-up share capital	11	1	1
Share premium	11	219,999	219,999
Profit and loss account		(44,627)	(31,349)
Shareholder's funds		175,373	188,651

The accompanying notes are an integral part of this balance sheet.

The Company financial statements of NES Fircroft Limited (Company number 12706788) were approved by the board of directors and authorised for issue on 28 February 2023. They were signed on its behalf by:

S.W. Buckley

Director

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Company statement of changes in equity

For the year ended 31 October 2022

	Share capital $'000	Share premium $'000	Retained earnings $'000	Total $'000
At 30 June 2020	-	-	-	-
Issue of share capital (note 10)	1	219,999	-	220,000
Total loss and total comprehensive expense	-	-	(31,349)	(31,349)
At 31 October 2021	1	219,999	(31,349)	188,651
Total loss and total comprehensive expense	-	-	(13,278)	(13,278)
At 31 October 2022	1	219,999	(44,627)	175,373

Notes to the Company financial statements

For the year ended 31 October 2022

1 ACCOUNTING POLICIES

The financial statements of NES Fircroft Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006. They have been prepared consistently throughout the period. The functional currency of the company is US dollars because that is the currency of the primary economic environment in which the company operates. The parent company accounts have been prepared for the year ended 31 October 2022.

Going concern
The company is the parent of the NES Fircroft Limited group and part of the wider NES Global Talent Limited group of companies. As the company is in a net current liabilities position, the directors of the company have sought and obtained a letter of support from NES Global Talent Limited to continue to provide financial support and to fund any obligations of the company for a period of at least 12 months from the date of these financial statements. Further, based on the strong trading relationship between this company and the rest of the Group, the directors of this company are cognisant of the following going concern disclosure which appears in note 2 of the consolidated financial statements.

Exemptions for qualifying entities under FRS 101
The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7 disclosures regarding financial instruments;
- IAS 7 requirement to produce a statement of cashflows and related notes; and,
- IAS 24 requirements in respect of disclosing remuneration of key management personnel and intra-group transactions

Operating profit/loss
Operating profit/loss is stated after charging exceptional items and management recharges, but before finance costs and tax.

Exceptional items
Exceptional items are those that the directors consider need to be disclosed separately in the financial statements to provide a true and fair view by virtue of their size or incidence, including the frequency and predictability of occurrence; all exceptional items are charged in arriving at operating profit in the financial statements.

Finance income and costs
Finance income is recognised as interest accrues using the effective interest method. Finance costs of debt are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

Taxation
Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Notes to the Company financial statements (continued)
For the year ended 31 October 2022

1 ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)
Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Investments
Fixed asset investments are stated at cost, less provision for any impairment.

Judgements and estimates
In the application of the accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. No critical accounting judgements or estimates have been identified.

2 EXCEPTIONAL EXPENDITURE

	Year ended 31 October 2022 $'000	Period ended 31 October 2021 $'000
Deal costs	3,261	5,369
Restructuring	501	-
Legal matters	265	-
	4,027	5,369

Deal costs – fees and other costs directly attributable to completed or proposed transactions.

Restructuring – relate to various restructuring activities across the Group.

Legal and tax matters - relate to charges and credit for one-off or significant legal and tax matters.

3 FINANCE COSTS

	Year ended 31 October 2022 $'000	Period ended 31 October 2021 $'000
Interest payable on loan notes	19,357	16,287
Bank interest payable	500	3,985
Amortisation of finance costs	1,831	2,069
Debt issue costs written off	1,165	3,302
Interest receivable on loans from related parties	(271)	(183)
Interest receivable on loans from group undertakings	(181)	(155)
Interest payable on loans from group undertakings	4,562	250
Foreign exchange (gains)/losses	(71)	194
	26,892	25,749

NES FIRCROFT

Notes to the Company financial statements (continued)
For the year ended 31 October 2022

4 LOSS BEFORE TAXATION

The auditor's remuneration for the audit of the company's financial statements pursuant to legislation of $72,000 (2021: $72,000) is included within the loss before taxation figure.

There are no employees other than directors and no remuneration has been paid to the directors, their remuneration being borne by other group companies, and not recharged to the company (2021: same). This is because fair apportionment is not possible.

5 TAXATION

There is no tax charge for the period (2021: $nil) and there is no provided or unprovided deferred taxation.

The differences between the total tax shown and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax are as follows:

	Year ended 31 October 2022 $'000	Period ended 31 October 2021 $'000
Loss before tax	13,278	31,349
Loss before tax multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	2,523	5,956
Effects of:		
Income not taxable/(expenses not deductible) for tax purposes	3,318	(1,013)
Interest not deductible for tax purposes	(1,586)	(1,707)
Group relief surrendered for nil consideration	(4,255)	(3,236)
Total tax charge for the period on loss	-	-

UK corporation tax is calculated at 19% (2021: 19%) of the estimated taxable profit or loss for the year. An increase in the UK corporation tax rate from 19% to 25% from 1 April 2023 was included in Finance Act 2021 and substantively enacted on 24 May 2021.

6 INVESTMENTS

	$'000
Cost at 30 June 2020	-
Additions	220,800
Cost at 31 October 2021 and 31 October 2022	220,800

The additions during the prior period relate to the merger with NES Global Talent Holdings Limited and the acquisition of Fircroft Engineering Services Limited.

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Notes to the Company financial statements (continued)
For the year ended 31 October 2022

7 OTHER NON-CURRENT RECEIVABLES

	2022	2021
	$'000	$'000
Amounts owed by group undertakings	238,427	-

Amounts owed by group undertakings are unsecured and there is no intention to recall within the next 12 months. Interest is charged at a rate of between 5-6%.

8 TRADE AND OTHER RECEIVABLES

	2022	2021
	$'000	$'000
Amounts due within one year:		
Prepayments	116	64
Other debtors	349	161
Amounts owed by related parties (note 12)	6,778	3,871
Amounts owed by group undertakings	-	243,381
	7,243	247,477

Amounts owed by group undertakings included in the prior year were unsecured and repayable on demand. Interest on this amount was charged at a rate of between 3-4%.

9 TRADE AND OTHER PAYABLES

	2022	2021
	$'000	$'000
Amounts owed to group undertakings	3,938	16,499
Amounts owed to related parties (note 12)	283,118	-
Accruals and deferred income	5,055	865
Other payables	1,109	2,344
Listed floating rate note (note 10)	-	2,752
Capitalised costs of raising finance (note 10)	-	(1,998)
	293,220	20,462

Amounts owed to group undertakings are unsecured and repayable on demand. Interest is charged at a rate of between 5-12% (2021: 3-4%).

On 29 September 2022, NES Fircroft Limited entered into an intercompany agreement with NES Fircroft Bondco AS in which the company borrowed $286,464,000 to repay the outstanding senior term loan (note 10). Remaining amounts owed to related parties are unsecured, interest bearing and repayable on demand.

Notes to the Company financial statements (continued)
For the year ended 31 October 2022

10 OTHER NON CURRENT LIABILITIES

	2022 $'000	2021 $'000
Listed floating rate note	-	260,206
Capitalised costs of raising finance	-	(998)
	-	259,208

The balance on the term loan was repaid in full during September 2022, when the NES Fircroft Group secured committed funding via a senior secured bond, totalling $300,000,000. The bond is held by NES Fircroft Bondco AS, an entity which sits above this level of consolidated financial statements (note 25 of consolidated financial statements). It was listed on Börse Frankfurt on 11 October 2022, is due for repayment in 2026 and incurs interest at 11.75%.

Subsequent to the issue of the bond, NES Fircroft Bondco AS granted a loan of $286,464,000 to NES Fircroft Limited to enable repayment of the term loan and continued funding of the NES Fircroft Group. Interest accrues on this intercompany loan at a fixed rate of 11.8% throughout the year and the loan is repayable on demand.

$1,831,000 (2021: $2,069,000) of capitalised costs of raising the refinanced and extended senior loan facility were amortised to finance charges in the income statement during the year. The remaining capitalised costs totalling $1,165,000 were written off during the year, following the repayment of the senior term bank loan.

Borrowings are repayable as follows:

	2022 $'000	2021 $'000
Floating rate note		
Less than one year	-	2,752
Between one and five years	-	260,206
	-	262,958
Capitalised costs of raising finance		
Less than one year	-	(1,988)
Between one and five years	-	(998)
	-	(2,996)
Total borrowings		
Less than one year	-	754
Between one and five years	-	259,208
	-	259,962

Notes to the Company financial statements (continued)
For the year ended 31 October 2022

11 CALLED-UP SHARE CAPITAL

	2022	2021
Authorised, allotted, called-up and fully paid	$'000	$'000
1,000 ordinary shares of £1 each	1	1

On 30 June 2020, NES Fircroft Limited was incorporated and issued 1 ordinary share of £1. On 18 September 2020, NES Fircroft Limited issued a further 999 £1 ordinary shares at a premium of $219,999,000.

12 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under FRS101 regarding the requirements under IAS 24 in respect of disclosing remuneration of key management personnel and intra-group transactions.

Transactions between the Company and its other related parties are disclosed below.

Fircroft Engineering Services Holdings Limited
Fircroft Engineering Services Holdings Limited holds an indirect non-controlling interest in NES Fircroft Limited and its subsidiaries.

As of the balance sheet date, there is an outstanding loan of $4,280,000 (2021: $3,871,000) owed by Fircroft Engineering Services Holdings Limited to NES Fircroft Ltd. Of this balance, $167,000 represents interest accrued in the year.

NES Global Talent Holdco Limited
NES Global Talent Holdco Limited holds an indirect controlling interest in NES Fircroft Limited and its subsidiaries.

As of the balance sheet date, there is an outstanding loan of $2,006,000 owed by NES Global Talent Holdco Limited to NES Fircroft Limited.

Loans payable between NES Fircroft Limited and NES Global Talent Holdco Limited accrued interest payable of $119,000 during the year.

NES Fircroft Midco Limited
NES Fircroft Midco Limited holds an indirect controlling interest in NES Fircroft Limited and its subsidiaries.

As of the balance sheet date, there is an outstanding loan of $491,000 owed by NES Fircroft Midco Limited to NES Fircroft Limited.

Loans payable between NES Fircroft Limited and NES Fircroft Midco Limited accrued interest payable of $15,000 during the year.

NES Fircroft Bondco AS Limited
NES Fircroft Bondco AS holds a controlling interest in NES Fircroft Limited and its subsidiaries.

NES Fircroft Bondco AS provided a loan to NES Fircroft Limited for a total of $283,118,000 which remains outstanding as a creditor at the balance sheet date. Note that during the year, NES Fircroft Bondco AS secured a bond totalling $300,000,000. The bond is due for repayment in 2026 and attracts interest at 11.75%. $292,500,000 of this debt has been passed through to NES Fircroft Limited, attracting interest of 11.8%. As of the balance sheet date, interest of $2,589,000 has been accrued.

NES FIRCROFT

Notes to the Company financial statements (continued)

For the year ended 31 October 2022

13 LIST OF SUBSIDIARY UNDERTAKINGS

A list of all related undertakings including the name, principal activity (footnoted below), country of incorporation and the registered office address of the related undertaking is shown below. Where percentage ownership is below 50%, an entity is considered a subsidiary after an assessment of control held over the investee and the right to return. All investments are in ordinary shares.

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES Global Algérie SARL (1)	No. 01, Mazareq Warkaly, Hydreh, Algiers State, Algeria	Algeria	49%
NES Global Talent Limitada (1)	Rua Nicolau Gomes Spencer, N. 1, Maculusso, Luanda, Angola	Angola	49%
North Eagle Star Limitada (1)	Rua Comandante Gika, Travessa dos Militares, No. 1, Alvalade, Luanda, Angola	Angola	98%
NES Fircroft Australia Pty Limited (1)	Parmelia House Level 12, 191 St Georges Terrace, Perth, WA 6000, Australia	Australia	100%
NES Global Pty Ltd (1)	Level 29, 66 Goulburn Street Sydney NSW 2000 Australia	Australia	100%
Fircroft Azerbaijan LLC (1)	69 Nizami Street, Nasimi district Baku, AZ1005, Azerbaijan	Azerbaijan	100%
Fircroft Caspian Services LLC (1)	69 Nizami Street, Nasimi district Baku, AZ1005, Azerbaijan	Azerbaijan	100%
NES Bahrain WLL (1)	Office 49d, 49th Floor, Harbour Towers – West Tower, Bahrain Financial Harbour, Road 4626, Manama 346, PO Box 11782, Kingdom of Bahrain	Bahrain	49%
NES Global Technical Consultants Ltd (1)	9 Mohakhali C/A (11th & 12th Floor), Dhaka-1212, Bangladesh	Bangladesh	100%
NES Global Limitada (1)	Avenida Presidente Vargas, 309, 21 ° andar, parte, Centro, Rio de Janeiro, CEP 20040-010, Brazil	Brazil	100%
NES Global Talent Sdn Bhd (1)	8th Floor, PGGMB Building, Jalan Kinanggeh, BS8111 Bandar Seri Begawan, Brunei	Brunei	70%
Fircroft (Canada) Limited (1)	4500, 855 – 2nd Street, S.W. Calgary, Alberta, Canada	Canada	100%
NES Global Limited (1)	333 11th Avenue SW, Suite 1602, Calgary, Alberta, T2R 1L9, Canada	Canada	100%
NES Advantage Solutions Canada Limited (1)	450, 855 - 2nd Street SW Calgay, Alberta, T2P 4K7, Canada	Canada	100%
NES Global Talent Chile, S.A. (1)	Providencia 1760 603, Providencia, Santiago, Chile	Chile	100%

Notes to the Company financial statements (continued)

For the year ended 31 October 2022

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES Global Talent Services (Shanghai) Co. Limited (1)	Room 804-805, Shui On Plaza, No.333 Middle HuaiHai Road, HuangPu District, Shanghai, 200021, China	China	100%
NES Global Technical Consultants (Shanghai) Co., Limited (1)	Room 804-805, Shui On Plaza, No.333 Middle HuaiHai Road, HuangPu District, Shanghai, 200021, China	China	100%
NES Global Technical Services (Shenzen) Co. Ltd	Room 332, 3/F, New Times Plaza, No.1 TaiZi Road NanShan District, ShenZhen, China	China	100%
Fircroft Engineering Services ApS (1)	C/o GTS Nordic ApS, Kalkbraenderilobskaj 6, 2100 Kobenhavn 0	Denmark	100%
NES Global Talent Egypt (1)	3 Oraby Street, Ground Floor, Maadi, Cairo, Egypt	Egypt	100%
NES Global France (1)	Le Bélvédère, 1-7 Cours Valmy, 92 800, Puteaux, France	France	100%
NES Global Talent Ltd SARL (1)	366 Rue Alfred Marche, PO Box 2164, Libreville, Gabon	Gabon	100%
Fircroft Engineering Services Limited SARL (4)	Montagne Sainte (à côté d'Air France) BP 74 19, Liberville, Gabon	Gabon	100%
NES Global Deutschland GmbH (1)	Glücksteinallee 45, D-68163 Manneheim, Germany	Germany	100%
North Eagle Star Limited (1)	PO Box CT 3466, 1st Floor, Earlbeam Plaza, George Walker Bush Highway, Dzorwulu, Accra, Ghana	Ghana	49%
FES Ghana Ltd (1)	20 Jones Nelson Road, Accra, PO Box GP 821, Ghana	Ghana	100%
Fircroft Ghana Limited (1)	20 Jones Nelson Road, Accra, PO Box GP 821, Ghana	Ghana	100%
NES Global Talent (Ghana) Limited (1)	No. 5, 1st Ridge Link, North Ridge, Accra, Ghana	Ghana	100%
PB Services Limited (1)	HNO.15 Kofi Dzata Dzorwulu, Kofi Dzata Street, Accra, Ghana	Ghana	100%
Red Coral Services Limited (1)	P.O Box DS 733, Dansoman, Accra, Ghana	Ghana	100%
Fircroft Guyana Inc (1)	Lot 62 Hadfield and Cross Streets, Werk-en-Rust, Georgetown, Guyana	Guyana	100%
NES Global Talent Guyana Inc (1)	Lot 62 Hadfield & Cross Street, Werk-en-Rust, Georgetown, Guyana	Guyana	100%

Notes to the Company financial statements (continued)
For the year ended 31 October 2022

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES Global Limited (1)	608, 6th Floor Laford Centre 838 Lai Chi Kok Road Kowloon, Hong Kong	Hong Kong	100%
NES Global Specialist Engineering Services Private Limited (1)	CB-15, A Wing 8th Floor, Reliable Tech Park, Behind Reliable Plaza, Thane - Belapur Road, Airoli, Navi Mumbai, Thane, Maharashtra, India, 400708	India	100%
PT NES Global Teknik (1)	Cyber 2 Tower, 18th Floor, Jl. H.R. Rasuna Said Blok X-5 Kav, 13 Jakarta 12950, Indonesia	Indonesia	70%
PT NES Global Technical Consultant (1)	Cyber 2 Tower, 18th Floor, Jl. H.R. Rasuna Said Blok X-5 Kav, 13 Jakarta 12950, Indonesia	Indonesia	95%
PT Fircroft Indonesia (1)	The Executive Centre, Sampoerna Strategic Square, South Tower, 18th Floor, Jl. Jend Sudirman Kav. 45-46, Jakarta 12930, Indonesia	Indonesia	100%
Al Mazaya General Services LLC (1)	Flat 21, Al Rubaie Street, Al Zayytouna Building, Baghdad, Iraq	Iraq	100%
NES Global for Recruitment of Foreign Manpower Limited (1)	100 St Italian Village, Villa 404, Erbil, Kurdistan, Iraq	Iraq	100%
North Eagle Star for General Services LLC (1)	Al Rubaie Street, Al Zaytouna Building, Second Floor, Flat No 24, Baghdad, Iraq	Iraq	100%
NES Global Talent Ltd (1)	The Black Church, St. Mary's Place, Dublin, D07 P4AX, Ireland	Ireland	100%
NES Global Talent KK (1)	Level 6, Fukumatsu Bldg, 7-1 Sumiyoshicho, Shinjuku-ku, Tokyo, Japan	Japan	100%
NES Fircroft Group Limited (5)	3rd Floor, 44 Esplanade, St Helier, Jersey,	Jersey	100%
Fircroft CIS LLP (1)	17B Kanysh Satpayev street, 2nd Floor, BC Atyrau Plaza, Atyrau, Atyrau region, 060011, Kazakhstan	Kazakhstan	100%
Fircroft Engineering Services Kazakhstan LLP (1)	17B Kanysh Satpayev street, 2nd Floor, BC Atyrau Plaza, Atyrau, Atyrau region, 060011, Kazakhstan	Kazakhstan	100%
NES Global Talent LLP (1)	Office 703, Atyrau Plaza Business Centre, Building 19, Satpayev Street, Atyrau Oblast 060000, Kazakhstan	Kazakhstan	100%
Fircroft Kenya Limited (1)	IKM Place, Tower A, 5th Floor, 5th Ngong Avenue, Off Bishops Road, PO Box 11866-00400, Nairobi, 00400, Kenya	Kenya	100%
NES Global Talent for Project Management WLL (1)	Office Number 5112, 2nd Floor, Dar Al Awadi Center, Kuwait	Kuwait	49%

Notes to the Company financial statements (continued)

For the year ended 31 October 2022

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES Global Technical Consultants SDN BHD (1)	Unit C-12-4, Level 12 Block C, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450, Kuala Lumpur, Malaysia	Malaysia	70%
Fircroft Malaysia SDN BHD (2)	Unit 30-01, Level 30, Tower A The Vertical Business Suite Avenue, 8, Jalan Kerinchi Bangsar South 59200 Kuala Lumpur, Malaysia	Malaysia	100%
NES Global Talent SDN BHD (2)	Unit C-12-4, Level 12 Block C, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450, Kuala Lumpur, Malaysia	Malaysia	100%
Fircroft Engineering Mexico, S.A DE C.V. (1)	Angel Urraza #314, Colonia Del Valle, Benito Juarez, Mexico C.P. 03100	Mexico	100%
Fircroft Service, S.A DE C.V. (4)	Angel Urraza #314, Colonia Del Valle, Benito Juarez, Mexico C.P. 03100	Mexico	100%
NES Global Talent S. DE (1)	Bosque de Ciruelos No.180 Piso 4, Col. Bosque de las Lomas, Miguel Hidalgo, Ciudad de Mexico, 11700	Mexico	100%
NMEXSTAFF S. DE R.L. DE C.V.(1)	Bosque de Ciruelos No.180 Piso 4, Col. Bosque de las Lomas, Miguel Hidalgo, Ciudad de Mexico, 11700	Mexico	100%
Fircroft Mozambique Limitada (1)	Rua dos Desportistas, nº 833.Edifício JAT V-1, 15º andar Maputo, Mozambique	Mozambique	100%
North Eagle Star Limitada (1)	Bairro Central, Avenida Vladimir Lenine, no. 174, 1o andar, Edificio Millenium Park, Maputo, Mozambique	Mozambique	100%
NES Global (Myanmar) Private Limited (1)	No. 18/G/F, Tha Pyay Nyo Street, Shin Saw Pu Quarter, Sanchaung Township, Yangon, Myanmar	Myanmar	100%
NES Global Limited (1)	Vero House, Level 2, 10 Devon Street East, PO Box 8262, New Plymouth Central, 4342, New Zealand	New Zealand	100%
NES Global Talent Nigeria Limited (1)	4th Floor, Coscharis Building, 68A Adeola Odeku Street, Victoria Island, Lagos, Nigeria	Nigeria	49%
Fircroft Norge AS (1)	C/o Sum Regnskap AS, Travbaneveien 3, 4031, Stavanger, Norway	Norway	100%
Fircroft Norge Management AS (1)	C/o Sum Regnskap AS, Travbaneveien 3, 4031, Stavanger, Norway	Norway	100%
NES Advantage Solutions AS (1)	Snarøyveien 36, 1364 Fornebu, Norway	Norway	100%
NES Advantage Solutions Group AS (2)	Snarøyveien 36, 1364 Fornebu, Norway	Norway	100%
NES Global Management AS (1)	Trallfa Twin Farm, Luramyrveien 40, 4313 Sandnes, Norway	Norway	100%

Notes to the Company financial statements (continued)

For the year ended 31 October 2022

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES Global Offshore AS (1)	Trallfa Twin Farm, Luramyrveien 40, 4313 Sandnes, Norway	Norway	100%
NES Global Talent Holdco AS (2)	Haakon VII's gate 10, 0161 Oslo, Norway	Norway	100%
NES Global Talent Norge AS (1)	Trallfa Twin Farm, Luramyrveien 40, 4313 Sandnes, Norway	Norway	100%
NES Global Talent Norway Holdings AS (1)	Trallfa Twin Farm, Luramyrveien 40, 4313 Sandnes, Norway	Norway	100%
NES Fircroft Bondco AS	Snarøyveien 36, 1364 Fornebu, Norway	Norway	100%
NES Global LLC (1)	Office A410, Al Assalah Towers, South Ghubrah, PO Box 199, Muscat, Oman	Oman	70%
New Eagle Services (1)	1st Floor Office No. BAZ-104 Al-Baz Commercial Centre Salalah, Oman	Oman	100%
New East Services Distinctive LLC (1)	Office A410, Al Assalah Towers South Ghubrah PO Box 199 Al Khuwair Muscat, Oman	Oman	100%
NES Global Limited (1)	Pacific Palms, Level 1, Harbourside West Building, Stanley Esplanade, PO Box 1140, Port Moresby, NCD, Papua New Guinea	Papua New Guinea	100%
NES Global Talent Sp. z.o.o.(1)	ul. Grzybowska 5a, 00-132, Warszawa, Polska	Poland	100%
Fircroft Portugal Limitada (2)	Rua Afonso Praça, nº 30, 1º D, 1495 – 061 Alges, Lisboa, Portugal	Portugal	100%
Fircroft Qatar LLC (6)	Office No. 1101, 11th Floor, Marina Twin Towers, Lusail, PO BOX 200183, DOHA, QATAR	Qatar	49%
NES Overseas Qatar WLL (1)	Office 8, First Floor, Al Qamra Building, Al Difaaf St., Al Sadd, Doha, Qatar	Qatar	49%
Fircroft LLC (1) (Russia)	Workplace 2t, Room V, Building 12/9, 1 Tekstilshchikov Street, Tekstilshchiki Municipal Districtm Moscow, 109390, Russia	Russia	100%
NES Global Arabia Company Limited (1)	Global Suhaimi Compound, King Abdul Aziz Road (Dammam Seaport Road), Dammam, Saudi Arabia	Saudi Arabia	55%
Fircroft Senegal SARL (1)	Le Plateau, Azur 15 Building 12, Dakar Senegal	Senegal	100%
NES Global Private Limited (1)	20-02, 61 Robinson Road, Singapore, 068893, Singapore	Singapore	100%

Notes to the Company financial statements (continued)

For the year ended 31 October 2022

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
Fircroft Private Limited (1) (Singapore)	16 Collyer Quay, #17-00 Income at Raffles, Singapore, 049318	Singapore	100%
Fircroft Group SA (PTY) Ltd (4)	Lynnwood Bridge, 4 Daventry Street, Lynnwood Manor, Pretoria, 0081, South Africa	South Africa	100%
Fircroft South Africa PTY LLC (1)	1st Floor, Convention Towers, Cnr of Heerengracht and Walter Sisulu Street Foreshore, Cape Town, 8001, South Africa	South Africa	100%
NES Global South Africa Pty Ltd (1)	C/o Deloitte & Touche, Deloitte Place, Building 4, The Woodlands, 20 Woodlands Drive, Woodmead, 2052, South Africa	South Africa	100%
NES Global Korea Yuhan Hoesa (1)	16th Floor, Posco P&S Tower, Teheran-ro, Gangnam-gu, Seoul, 06235, South Korea	South Korea	100%
NES Global Talent Suisse AG (1)	Seefeldstrasse 69 Zurich 8008 Switzerland	Switzerland	100%
NES Global Talent Taiwan Co. Ltd	10F, No. 156, Section 3, Minsheng East Road, Songshan District, Taipei City 105, Taiwan	Taiwan	100%
Fircroft Tanzania Limited (1)	357 United Nations Road, Dar es Sallam, Tanzania	Tanzania	100%
NES Global (East Africa) Limited (1)	Plot no 211 Chabruma street, Kinondoni District, P.O. BOX 4524, Dar es Salaam, Tanzania	Tanzania	100%
NES Fircroft Recruitment (Thailand) Limited (1)	No. 399 Interchange Tower, 35th Floorm Sukhumvit Road, Khlong Toei Nuea, Sub-district, Vadhana district, Bangkok 10110, Thailand	Thailand	49%
NES Fircroft Engineering (Thailand) Limited (2)	399 Interchange Building, 35th Floor, Sukhumvit Road, Klongtoey-Nua, Wattana, Bangkok, 10900, Thailand	Thailand	49%
NES Fircroft (Thailand) Limited	No. 399 Interchange Tower, 35th Floorm Sukhumvit Road, Khlong Toei Nuea, Sub-district, Vadhana district, Bangkok 10110, Thailand	Thailand	100%
NES Global Engineering Services Company Limited (1)	No.94 Shinnawat M Thai Building, 3d Floor, Soi Sukhumvit 23, Sukhumvit Road, Klongt Toei Nua Sub District, Wattana District, Bangkok, Thailand	Thailand	100%
Northern Engineering Services (Thailand) Company Limited (1)	No. 399 Interchange Tower, 35th Floorm Sukhumvit Road, Khlong Toei Nuea, Sub-district, Vadhana district, Bangkok 10110, Thailand	Thailand	100%
Fircroft Engineering Services B.V. (1)	Verlengede Poolseweg 16, Unit 318, Breda, 4818 CL, Netherlands	The Netherlands	100%
NES Global B.V. (1)	Verlengede Poolseweg 16, Unit 318, Breda, 4818 CL, Netherlands	The Netherlands	100%
Fircroft Trinidad Limited (1)	Maritime Centre, 2nd Floor, 29 Tenth Avenue, Barataria, Trinidad and Tobago	Trinidad & Tobago	100%

Notes to the Company financial statements (continued)
For the year ended 31 October 2022

Investments directly held	**Address of registered office**	**Country of incorporation**	**Percentage ownership**
NES Global Talent Limited (1)	Maritime Centre, 2nd Floor, 29 Tenth Avenue, Barataria, Trinidad & Tobago	Trinidad & Tobago	100%
Aim Academy Limited (3)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
Energy People International Limited (3)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
Fircroft Engineering Services (Northern) Limited (4)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
Fircroft International Technical Services Limited (1)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
Fircroft Engineering Services Limited (1)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
Fircroft Kazakhstan Trustee Limited (2)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
International Workforce Solutions Limited (4)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
Italic Managed Solutions Limited (6)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
Johnson Knight International Holdings Limited (4)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
Johnson Knight International Limited (4)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
NES 2 Limited (4)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Advantage Solutions Limited (1)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Finance Limited (5)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Global Engineering Services Limited (1)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Global Limited (6)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Global Talent Finco Limited (5)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%

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Notes to the Company financial statements (continued)

For the year ended 31 October 2022

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES Global Talent Holdings Limited (5)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Group Limited (7)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Holdings Limited (5)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES International Limited (4)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES IT Limited (4)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Managed Services Limited (8)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Recruitment Limited (1)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES Trustees Limited (9)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES UK Limited (1)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
NES UK Recruitment Limited (4)	7 The Arc, Hillington Park, Colquhoun Avenue, Glasgow, G52 4BN	UK	100%
NESCO Holdings Limited (2)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
North Eagle Star Limited (3)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
Northern Technical Talent Services Limited (3)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
Professional Laboratory Services Limited (2)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
Recruitment Advisory Services (Northern) Limited (4)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
Rize Recruitment Limited (1)	Lingley House, 120 Birchwood Point, Birchwood Boulevard, Warrington, Cheshire, WA3 7QH	UK	100%
South Star Technical Services Limited (3)	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%

Notes to the Company financial statements (continued)

For the year ended 31 October 2022

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
NES Fircroft Foundation Limited	Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP	UK	100%
Fircroft Ukraine LLC (1)	35 Svitlytskoho, Office 108/4, 04123 Kyiv, Ukraine	Ukraine	100%
NES Global Human Resources Consultancy LLC (1)	Office Unit 26-D2, Marina Square, Tamouh Tower, Al Reem Island, PO Box 63107, Abu Dhabi, United Arab Emirates	United Arab Emirates	49%
Fircroft Recruitment Services LLC (1)	Block 17, Office 205, Dubai Knowledge Village, Dubai, UAE, PO Box 27131	United Arab Emirates	100%
NES Global Energy Services DMCC (1)	Unit No. 409, Indigo Tower, Jumeirah Lake Towers, Dubai, United Arab Emirates	United Arab Emirates	100%
NES Global Talent Recruitment Services LLC (1)	Office Unit 26-D2, Marina Square, Tamouh Tower, Al Reem Island, PO Box 63107, Abu Dhabi, United Arab Emirates	United Arab Emirates	100%
Bedrock PC 1099, LLC (1)	800 Gessner Road, Suite 310, Houston, Texas, 77024	USA	100%
Bedrock PC W2, LLC (1)	800 Gessner Road, Suite 310, Houston, Texas, 77024	USA	100%
Bedrock Petroleum Consultants, LLC (1)	800 Gessner Road, Suite 310, Houston, Texas, 77024	USA	100%
Fircroft Inc (1)	3411 Silverside Road, Suite 104, Wilmington, Delaware, 19810	USA	100%
NES Advantage Solutions Inc.(1)	800 Gesner Road, Suite 310, Houston, Texas, 77204, USA	USA	100%
NES Global Construction LLC (1)	800 Gessner Road, Suite 310, Houston, Texas, 77024	USA	100%
NES Global Downstream LLC (1)	800 Gessner Road, Suite 310, Houston, Texas, 77024	USA	100%
NES Global LLC (1)	800 Gessner Road, Suite 800, Houston, Texas, 77024, USA	USA	100%
NES Global Onshore Upstream, LLC (1)	800 Gessner Road, Suite 310, Houston, Texas, 77024	USA	100%
NES Global Talent Finance US LLC (5)	1209 Orange Street, Wilmington, Delaware 19801, USA	USA	100%
NES Global Talent US Inc. (5)	1209 Orange Street, Wilmington, Delaware 19801, USA	USA	100%

Notes to the Company financial statements (continued)
For the year ended 31 October 2022

Investments directly held	Address of registered office	Country of incorporation	Percentage ownership
Redbock LLC (1)	21684 Granada Avenue, Suite B, Cupertino, California, 95014, USA	USA	100%
NES Global Technical Consultants Vietnam Ltd (1)	Level 16, Regus Saigon Tower, 29 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Vietnam	100%

Principal activities of related undertakings:

1. Provision of technical recruitment agency services
2. Intermediate holding company
3. Provision of services to the Group
4. Dormant company
5. Provision of finance to the Group
6. Provision of technical engineering consultancy services overseas and holding company
7. Provision of support services for the NES Fircroft Group of companies
8. Provision of technical recruitment solutions
9. Trustee company for NES Group EBT
10. Provision of finance for charitable activities

All subsidiary undertakings have been included in the consolidation.

Notes to the Company financial statements (continued)
For the year ended 31 October 2022

The following subsidiaries have taken advantage of an exemption from audit under section 479A of the Companies Act 2006. As the ultimate parent, NES Fircroft Limited has provided a statutory guarantee for any outstanding liabilities of these businesses.

Subsidiary	**Registered number**
Aim Academy Limited	02982237
Energy People International Limited	06266345
Fircroft Kazakhstan Trustee Limited	11312511
International Workforce Solutions Limited	11783130
Italic Managed Solutions Limited	02086868
Johnson Knight International Limited	06899537
Johnson Knight International Holdings Limited	07849984
NES 2 Limited	03295086
NES Advantage Solutions Limited	05309561
NES Finance Limited	05898983
NES Global Engineering Services Limited	03402043
NES Finance Limited	08713197
NES Managed Services Limited	06990578
NES Holdings Limited	05898988
NES International Limited	01786613
NES IT Limited	01766575
NES Recruitment Limited	03083611
NES UK Limited	01443574
NES UK Recruitment Limited	SC157555
Nesco Holdings Limited	03723986
North Eagle Star Limited	05920489
Professional Laboratory Services Limited	03109782

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Fritak for utarbeidelse av konsernregnskap for NES Global Talent Norway Holdings AS (org.nr 914 496 640)

Vedlagt er søknad om fritak for utarbeidelse av konsernregnskap for NES Fircroft Bondco AS, som er øverste norske konsernspiss hvor underkonsernet NES Global Talent Norway Holdings AS inngår. Denne søknaden og dispensasjonen er vurdert å også gjelde norske underkonsern, herunder NES Global Talent Norway Holdings AS.