Registered No: 02663933

TRS Staffing Solutions Limited

Annual Report and Financial Statements

31 December 2020

Directors
M J Foulser
M Innes

Secretary
M J Kuitems

Auditors
Ernst & Young LLP
1 More London Place
London
SE1 2AF

Registered Office
York House
23 Kingsway
London
WC2B 6UJ

Strategic report

for the year ended 31 December 2020

The directors present their strategic report on the Company for the year ended 31 December 2020.

Business Review

The company provides engineering recruitment consultant services mainly for Fluor Corporation entities, but also to external third parties in the United Kingdom, Europe, USA and the rest of the world.

Total turnover for the year decreased by 42%, gross margin decreased to 6.4%, (2019: 7.2%). The operating profit margin was -1.6% in 2020 (2019: 1.2%). The decrease in gross margin is as a result of significantly reduced internal and external higher margin projects. The reduction in revenue is due to a decrease in project activity with Fluor Limited and JV partners in the home office in addition to the onset of COVID-19 which impacted all areas of sales as market confidence deteriorated and hiring decisions on projects were delayed or stopped.

During the year the company completed the formation of a branch in the United Arab Emirates and has obtained an Executive Search Licence. This provides the company with the ability to market, sign and execute recruitment contracts in the Middle East. Principal business activities are sourcing and placing skilled labour into permanent positions within the UAE and surrounding area. Like most other regions COVID-19 hit this location through 2020 and 2021 with borders closing and restrictions in place making permanent recruitment difficult. The Directors are confident market conditions are returning to normal and the branch will be profitable in late 2021 and through 2022 and going forward.

Principal Risk and Uncertainties

The principal risks and uncertainties facing the company are as follows:

Financial Risk Management

The company's activities expose it to a variety of financial risks: foreign currency risk, credit risk and liquidity risk.

The company has various financial instruments, for example, trade receivables, trade payables, and prepayments that arise directly from its operations. The company finances its operations through its retained reserves and intercompany borrowings.

Compliance with the company's policies and exposure limits is reviewed periodically.

- Foreign currency risk

The company's revenue and costs are predominately transacted in Sterling, with a percentage being transacted in Euros, AE Dirhams and US Dollars. The directors of the company continually monitor exchange rates and will, where deemed appropriate, enter into foreign currency forward contracts and options in order to mitigate any exchange rate risk. The company does not enter into speculative foreign currency transactions.

- Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. The company's policy is to trade only with recognised, creditworthy third parties. It is the policy of the company that all clients who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the objective of minimising the company's exposure to bad debts.

Credit risks arising from other financial assets of the company have a maximum exposure equal to the carrying amount of these instruments. Other financial assets consist of cash and cash equivalents.

- Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company's objective is to maintain a balance between continuing funding and flexibility through the use of bank overdrafts and intercompany borrowings. The directors continually monitor the company's performance and liquidity profile.

Strategic report

for the year ended 31 December 2020 (continued)

- COVID-19 Pandemic

COVID-19 has introduced increased risk to all areas of the company in 2020. A risk averse culture coupled with open and collaborative relationships with our stakeholders has and will continue to mitigate the impact on delivery and financial performance.

- Competition

Intense competition in the staffing industry could reduce market share and profits. Competition can place downward pressure on profit margins, and may force the company to accept contractual terms and conditions that are not normal or customary.

Market conditions

Market confidence has deteriorated as hiring decisions on projects were delayed or stopped due to the ongoing impact of COVID-19. As economic regions look to recover we will look to position ourselves to take advantage of any opportunities.

COVID-19

The spread of the COVID-19 outbreak has caused severe disruptions in many economies, including those impacting the company and its customers, which are still facing a recession of an undetermined extent and length.

We are closely monitoring the ongoing impact of COVID-19 on our financial results and cashflows and have prepared updated projections in light of this. Our top priority remains the health and safety of our employees and customers.

Based on information provided by the Government, the HSE, the WHO and also available publicly, we are continuing to implement a number of measures to reduce any potential impact, including adjusting capacity to current demand and preserving cash. Measures have also been taken to ensure operations continue to adhere to current HSE guidelines.

In terms of impact on cashflow, the company has financial resources at its disposal with a significant cash reserve, including parent entity support and has considered, through working with customers, the ability of customers to honour their obligations. As a consequence, the directors believe that the company is well placed to manage the impact of COVID-19 and indeed all of its business risks successfully.

Brexit

Following Brexit, the board continues to closely monitor the developing economic situation in the UK. However, given that the company's customers are primarily located in the UK, with limited operations in continental Europe, we feel that Brexit will continue to have minimal impact on the business.

On behalf of the Board

Martin J Foulser

Digitally signed by Martin J Foulser
Date: 2021.12.15 13:10:25 Z

Martin Foulser

Director

Date: 15th December 2021

Directors' report

for the year ended 31 December 2020

The directors present their report and financial statements for the year ended 31 December 2020.

Results

The loss for the year, after taxation, amounted to £594,000 (2019: £843,000 profit).

Dividends

The company made dividend payments totalling £Nil in 2020 (2019: £Nil). The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2020.

Future developments

The directors do not anticipate any major change from the company's trading activities outlined in the strategic report in the foreseeable future.

In light of the impact of Brexit and COVID-19, as discussed in Principle Risks and Uncertainties above, the company will continue its focus on the control of costs and working capital optimisation.

Going Concern

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and its exposure to foreign currency, price, credit, COVID-19, competition and liquidity risk are described in the Strategic Report on pages 2 and 3.

The directors have considered the company's cashflow projections for the period ended 31 December 2022. Based on the outcome of these considerations, which takes into account the risks and uncertainties arising from the COVID-19 pandemic, the directors have received confirmation that Fluor Corporation, the parent entity will provide financial support to the company for a period from the date when the financial statements are authorised for issue to 31 December 2022. Accordingly, the directors are satisfied that it is appropriate to use the going concern basis in preparing the financial statements.

Directors of the company

The directors who served during the period 1 January 2020 to the date of this report are shown on page 1.

Fluor purchases insurance against Directors' and Officers' liability covering Fluor's group companies, as permitted by the Companies Act 2006 for the benefit of the Directors and Officers.

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training.

Employee involvement

Management, through the communication of relevant information and regular consultation on work-related issues, encourages employees to be involved in the performance of the company.

Events since the balance sheet date

The spread of the COVID-19 outbreak has continued to cause severe disruptions in many economies, including those impacting the company and its customers, which are facing a recession of an undetermined extent and length.

We expect that the most significant potential impact on our financial results and cashflows resulting from COVID-19 would be in relation to disruption in supply chains and personnel available for work and or being able to access offices.

Directors' report

for the year ended 31 December 2020 (continued)

Disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-appointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the next Board Meeting for reappointment of Ernst & Young LLP as auditor of the Company.

On behalf of the Board

Martin J Foulser
Digitally signed by Martin J Foulser
Date: 2021.12.15 13:10:50 Z

Martin Foulser

Director

Date: 15th December 2021

Directors' responsibilities statement

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRS STAFFING SOLUTIONS LIMITED

Opinion

We have audited the financial statements of TRS Staffing Solutions Limited (the "Company") for the year ended 31 December 2020 which comprise the Income statement, the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 18, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period from when the financial statements are authorised for issue to 31 December 2022.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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 this 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 there is 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom.
- We understood how the Company is complying with those frameworks by making enquiries of management to understand how the Company maintains and communicates its policies and procedures in these areas, and corroborated this through our review of Board minutes as well as consideration of the results of our audit procedures.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRS STAFFING SOLUTIONS LIMITED (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming revenue to be a fraud risk. In response to the fraud risks identified, we performed audit procedures including: incorporating data analytics into our testing of journals posted to accounts associated to revenue, testing specific revenue transactions back to source documentation and setting precise revenue expectations and comparing to actuals.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved reviewing minutes from the Board of Directors, enquiring with key management personnel and testing journals identified by specific risk criteria.

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

Use of our report

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

Ernst & Young LLP

David Wilson (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

15th December 2021

Income statement

for the year ended 31 December 2020

	Notes	2020 £000	2019 £000
Turnover – continuing operations	2	29,838	51,435
Cost of sales		(27,940)	(47,733)
Gross profit		1,898	3,702
Administrative expenses		(1,300)	(956)
Other operating income	3	73	-
Other operating expenses		(1,139)	(2,129)
Operating (loss)/profit – continuing operations	4	(468)	617
Interest receivable and similar income	7	66	34
(Loss)/profit on ordinary activities before taxation		(402)	651
Tax on (loss)/profit on ordinary activities	8	(192)	192
(Loss)/profit for financial year		(594)	843

Statement of comprehensive income

at 31 December 2020

	2020 £'000	2019 £'000
(Loss)/profit for the year	(594)	843
Exchange difference on retranslation of foreign operations	3	-
Total Other Comprehensive Income	3	-
Total Comprehensive (Loss)/Income for the year	(591)	843

Statement of financial position
at 31 December 2020

	Notes	2020 £000	2019 £000
Non-current assets			
Tangible fixed assets	9	66	73
Current assets			
Debtors: *amounts falling due within one year*	10	2,888	4,401
Cash at bank and in hand		8,753	8,598
		11,641	12,999
Creditors: *amounts falling due within one year*	11	(1,330)	(2,104)
Net current assets		10,311	10,895
Total assets less current liabilities		10,377	10,968
Net assets		10,377	10,968
Capital and reserves			
Called up share capital	13	474	474
Capital redemption reserve	14	225	225
Profit and loss account	14	9,675	10,269
Non distributable reserves	14	3	-
Equity shareholder's funds		10,377	10,968

These financial statements were approved by the Board of Directors for issue on 15th December 2021 and signed on their behalf by

Martin J Foulser

Digitally signed by Martin J Foulser
Date: 2021.12.15 13:12:08 Z

Martin Foulser
Director

Statement of changes in equity

at 31 December 2020

	Share capital *£000*	*Capital Redemption* *£000*	*Profit and loss account* *£000*	*Non-distributable reserves* *£000*	*Share-holders' funds* *£000*
At 1 January 2019	474	225	9,426	-	10,125
Profit for the financial year	-	-	843	-	843
At 31 December 2019	474	225	10,269	-	10,968
At 1 January 2020	474	225	10,269	-	10,968
(Loss) for the financial year	-	-	(594)	-	(594)
Other comprehensive income	-	-	-	3	3
At 31 December 2020	474	225	9,675	3	10,377

Notes to the financial statements

at 31 December 2020

1. Accounting policies

Statement of compliance

TRS Staffing Solutions Limited is a private company limited by shares incorporated in England. The Registered Office is York House, 23 Kingsway, London WC2B 6UJ.

The financial statements have been prepared in compliance with United Kingdom Accounting Standards FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) as it applies to the financial statements of the Company for the year ended 31 December 2020.

Basis of preparation

The financial statements of TRS Staffing Solutions Limited were authorised for issue by the Board of Directors on 15th December 2021.

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and with Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £'000.

Under the provisions of FRS 102, the Company is defined as a qualifying entity and has consequently taken advantage of the disclosure exemptions set out in section 1.12 not to:

- provide a reconciliation of the number of shares outstanding at the beginning and end of the year;
- prepare a statement of cash flows; and
- disclose key management personnel compensation.

Going Concern

The company has net current assets of £10.3 million (2019: £10.9 million) and net assets of £10.4 million (2019: £10.9 million). The directors have considered the company's cashflow projections for the period ended 31 December 2022. Based on the outcome of these considerations, which takes into account the risks and uncertainties arising from the COVID-19 pandemic, the directors have received confirmation that Fluor Corporation, the parent entity will provide financial support to the company for a period from the date of approval of the company's financial statements to 31 December 2022. Accordingly, the directors are satisfied that it is appropriate to use the going concern basis in preparing the financial statements.

Judgements and key sources of estimation uncertainty

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

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Notes to the financial statements

at 31 December 2020

1. Accounting policies (continued)

Judgements and key sources of estimation uncertainty (continued)

Operating lease commitments

The Company has entered into commercial property leases and as a lessee it obtains use of property, plant and equipment. The classification of such leases as operating or finance lease requires the Company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

Taxation

The Company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 7.

Estimates and assumptions

The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumption about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates which are calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life, as follows:

Leasehold improvements	–	10% – 33%
Plant and machinery, fixtures, fittings and equipment	–	10% – 50%

The carrying values of tangible fixed assets are reviewed regularly for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Leasing commitments

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term, except for contingent rental payments which are expensed when they arise.

Notes to the financial statements

at 31 December 2020

1. Accounting policies (continued)

Revenue recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Labour hours

Revenue from labour hours is recognised by reference to actual hours performed based on employee timesheets and the hourly rate agreed per employee with the customer.

Interest income

Interest income is recognised as it accrues using the effective interest rate (EIR) method. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the statement of profit or loss.

Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Pensions

The company participates in a defined contribution pension scheme. The amount charged to the profit and loss account in respect of the defined contribution scheme represents the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown either as accruals or prepayments in the balance sheet.

Cash at bank and in hand

Cash in the balance sheet comprises cash at bank and in hand, and is stated net of outstanding bank overdrafts.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in administrative expenses.

Notes to the financial statements

at 31 December 2020

1. Accounting policies (continued)

Government grants

Government grants are recognised under the requirements of FRS 102 when there is reasonable assurance that the conditions attached will be complied with and the grant will be received. Government grants are recognised in income on a systematic basis over the period in which the company recognises as expenses the related costs for which the grants are intended to compensate.

2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced and to be invoiced to third parties, and other group companies.

Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Turnover is measured by reference to labour hours chargeable to clients. Turnover not invoiced to customers is included in accrued income.

Turnover is attributable to one continuing activity, which is the provision of services as engineering recruitment consultants.

An analysis of turnover by geographical market is given below:

	2020	*2019*
	£000	*£000*
United Kingdom	26,925	48,591
Rest of Europe	2,007	1,898
Rest of the world	906	946
	29,838	51,435

3. Other operating income

Included in other income is the Coronavirus Job Retention Scheme. The company has utilised the Coronavirus Job Retention Scheme during the qualifying period and has claimed £33,000 during the year to 31 December 2020.

4. Operating loss/(profit)

This is stated after charging/(crediting):

	2020	*2019*
	£000	*£000*
Depreciation	17	12
Auditors' remuneration – audit services	20	17
Operating lease rentals – land and buildings	268	229
Foreign exchange (gain)/loss	(37)	116

Notes to the financial statements

at 31 December 2020

5. Directors' remuneration

	2020	*2019*
	£000	*£000*
Emoluments for qualifying services	162	172
Company pension contributions to money purchase schemes	5	5
	167	177

The aggregate emoluments of the highest paid director were £162,000 (2019: £172,000) excluding employer defined contribution pension scheme contributions of £5,000 (2019: £5,000).

The number of directors to whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2019: 1). The number of directors included in emoluments is 1 (2019: 1).

The director M J Foulser is an executive of and is remunerated by Fluor Limited and received no remuneration for services to this Company or its subsidiary undertakings.

6. Staff costs

	2020	*2019*
	£000	*£000*
Wages and salaries	3,388	3,360
Social security costs	324	368
Other pension costs	72	77
	3,784	3,805

Other pension costs comprise £72,000 (2019: £77,000) in respect of the defined contribution schemes.

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

	2020	*2019*
	No.	*No.*
Office and management	28	21
Engineering	27	38
	55	59

7. Interest receivable and similar income

	2020	*2019*
	£000	*£000*
Bank interest receivable	63	34
Other interest	3	-
	66	34

Notes to the financial statements

at 31 December 2020

8. Tax

(a) The tax charge is as follows:

	2020 £000	2019 £000
UK Corporation tax:		
UK corporation tax on profit for year	-	125
Adjustment in respect of previous years	(125)	(317)
Consideration payable for prior year losses received	317	-
Tax charge/(credit) on profit/loss on ordinary activities (note 8(b))	192	(192)

(b) Factors affecting tax charge

The tax assessed on the profit on ordinary activities for the year is different from the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are reconciled below:

	2020 £000	2019 £000
(Loss)/Profit on ordinary activities before tax	(402)	651
(Loss)/Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%)	(76)	123
Effects of:		
Accelerated/Decelerated capital allowances	3	2
Adjustments in respect of prior years	(125)	(317)
Consideration payable for prior year losses received	317	-
Losses carried forward	73	-
Total tax charge (note 8(a))	192	(192)

(c) Factors affecting future tax charge

The UK corporation tax rate reduced from 20% to 19% from April 2017. Accordingly, the Company's profit for the accounting period is taxed at an effective rate of 19% (2019: 19%). The tax rate will increase to 25% for the financial year beginning April 2023.

The company has capital losses carried forward of £471,000 (2019: £471,000), which would create a deferred tax asset of £80,070 (2019: £80,070). No deferred tax asset has been recognised in respect of the capital losses as there is no persuasive and reliable evidence of future capital gains against which these losses can be offset.

Notes to the financial statements
at 31 December 2020

9. Tangible fixed assets

	Leasehold improvements £000	*Plant and machinery, fixtures, fittings and equipment £000*	*Total £000*
Cost:			
At 1 January 2020	171	21	192
Additions	10	-	10
Disposals	-	-	-
At 31 December 2020	181	21	202
Depreciation:			
At 1 January 2020	98	21	119
Provided during for the year	17	-	17
Depreciation on disposals	-	-	-
At 31 December 2020	115	21	136
Net book value:			
At 31 December 2020	66	-	66
At 1 January 2020	73	-	73

10. Debtors: amounts falling due within one year

	2020 £000	*2019 £000*
Trade debtors	2,113	2,248
Accrued income	188	375
Amounts owed by parent and fellow subsidiary undertakings	220	654
Prepayments	128	96
VAT receivable	127	764
Corporation tax	112	264
	2,888	4,401

Amounts owed by parent and fellow subsidiary undertakings do not have specified terms of settlement and are therefore considered current.

Notes to the financial statements

at 31 December 2020

11. Creditors: amounts falling due within one year

	2020 *£000*	*2019* *£000*
Accrued contractor liability	658	1,397
Other taxes and social security costs	64	74
Accruals and deferred income	126	114
Amounts owed to fellow group undertakings	482	519
	1,330	2,104

There are no creditors falling due after more than one year (2019: £nil). Amounts owed to fellow group undertakings have no specified terms of settlement and are therefore considered current.

12. Pensions

The company operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. Contributions of £72,000 (2019: £77,000) were payable by the company during the year and at 31 December 2020 there were no outstanding contributions payable (2019: £nil).

13. Share capital

Authorised, allotted, called up and fully paid

	2020 *No.* *000's*	*2019* *No.* *000's*	*2020* *£000*	*2019* *£000*
'A' Ordinary shares of £1 each	192	192	192	192
'B' Ordinary shares of £1 each	158	158	158	158
'C' Ordinary shares of SwFr 1 each	225	225	124	124
	575	575	474	474

14. Reserves

Profit and loss account

The profit and loss account relates to retained profits that are available for distribution.

Capital redemptions

This reserve is used to record capital redemptions. There are no repayment terms and the amount is non-interest bearing.

Non-distributable reserve

This is non-distributable reserve and represents exchange differences on translation of the branch.

Notes to the financial statements

at 31 December 2020

15. Obligations under operating leases

At 31 December 2020, the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2020	*2019*
Operating leases which expire:	*£000*	*£000*
Within one year	50	-
In two to five years	230	230

16. Events after the reporting period

There were no significant events between the balance sheet date and the date of signing of the financial statements, affecting the company, which require adjustment to or disclosure in the financial statements.

17. Related party transactions

The company is a wholly owned subsidiary of Fluor Corporation, and as such has taken advantage of the exemption in FRS 102 section 33.1A related party disclosures, not to disclose related party transactions between two or more members of a Group provided that any subsidiary which is party to the transactions is wholly owned by such member.

The year end intercompany balances are as follows:

Entity	Relationship	31 December 2020 £'000
Fluor Enterprise Inc	Ultimate Parent	£37,336
Fluor Limited	By virtue of common control	£(63,194)
TRS Staffing Solutions (AU)P Ltd	By virtue of common control	£5,089
Tech Resource Solutions	By virtue of common control	£1,653
TRS Staffing Solutions IN	By virtue of common control	£(1,269)
TRS Staffing Solutions BV	By virtue of common control	£5,571
TRS Staffing Solutions Inc	By virtue of common control	£6,793
TRS Staffing Solutions - TRS Adm	By virtue of common control	£24,684
TRS Staffing Solutions (Pty) Ltd	By virtue of common control	£3,412
Fluor International Limited – Headquarters	Immediate Parent	£(370,203)
Fluor Mideast Ltd	By virtue of common control	£(4,870)
TRS Consultants – JLT	By virtue of common control	£(142)

Notes to the financial statements

at 31 December 2020

18. Parent undertakings and controlling party

The company's immediate parent undertaking is Fluor International Limited, registered in England and Wales. Its registered office is Fluor Centre, 140 Pinehurst Road, Farnborough, Hampshire, GU14 7BF.

The smallest and largest group of undertakings of which the company is a member and for which group financial statements are prepared is Fluor Corporation, a company incorporated in the USA. A copy of Fluor Corporation group financial statements can be obtained from 6700 Las Colinas Boulevard, Irving, Texas 75039, USA.