

Company registration number 10150044 (England and Wales)

**RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT
GROUP HOLDINGS PLC)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 25 FEBRUARY 2022

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

COMPANY INFORMATION

Directors	Mr H Janagol Mr J Madgwick Mr C Parry Mr C Swailes
Secretary	Mr H Janagol
Company number	10150044
Registered office	71-75 Shelton Street Covent Garden London WC2H 9JQ
Auditor	Gravita II LLP 30 City Road London EC1Y 2AB

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

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RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

STRATEGIC REPORT

FOR THE PERIOD ENDED 25 FEBRUARY 2022

The directors present the strategic report for the period ended 25 February 2022.

RGH was established to build a group of aligned but independently managed Small and Medium-sized Enterprises (SME's), Recruitment companies and Partners. This includes the following sectors: recruitment, human resources, training, and consultancy. The Directors plans for the Company and its subsidiaries, are to grow globally through strategic, tactical, asset, talent acquisition and recruitment. This enables continued growth for ambitious entrepreneurs and their teams.

Business Review and Trading prospects

From 1st March 2021, RGH has continued to implement its partner acquisition strategy successfully despite the COVID-19 lockdown and trading uncertainty. The Group has traded in line with management expectations in challenging circumstances and seen near normal trading conditions resume. The Directors believe that the Company's prospects will be enhanced by the ongoing partner acquisitions that it has made as well as the strategy of renewed Company acquisitions and joint ventures in the enlarged Group.

The Company successfully joined the JP Jenkins trading platform, which allowed it to commence its acquisition strategy. The Company's current strategy is however reliant on completion of a future public listing to create liquidity events for shareholders and partners. Whilst there can be no guarantee that these this will occur, we have no reason to believe that the company will not complete a future listing at the date of this report. A post February 2024 audit completion listing is being considered by the Board, but very much depends on post COVID-19, other Global factors and market recovery. The Companies acquisitive business model is successfully being implemented.

In respect of the ability for the enlarged group to generate revenues and profits, at this stage, indications are that the enlarged Group will be able to increase revenue and so make profits and create additional value. The recruitment sector is faced with several risks, like COVID-19, but also including the shortage of candidates and skills, as well as shortages of spaces to place candidates. The directors consider the requirement for supply agreements with clients, and a proactive and dynamic approach to identifying suitable candidates for any given vacancies and submitting them to clients as crucial for the future success of the business. This involves having the brightest and best-motivated recruiters, allied to the best software, to assist with the process of collecting information on the vacancy, narrowing down the search efficiently and submitting candidates in a time efficient manner.

Principal Risks and Uncertainties plus the Effect of Covid19 and Multiple Lockdowns

This year has been an unprecedented year with large parts of the economy closing due to the initial and then subsequent lockdowns. This has created large reductions in business generally but especially in the recruitment sector. The technical and IT sector remained active, but the business was affected by public service tech related clients postponing projects. Notwithstanding this situation the business was able to remain trading profitably and grow its underlying number of partners. Since September 2021, when the economy finally started to lift, partners are now active and generating revenue.

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

Key performance indicators

The company's trading result is set out in the statement of comprehensive income. During the year, the business turnover increased to £656,003 (2021: £223,000) and operating profit increased to £307,351 (2021: operating loss £3,094). The directors remain focused on providing the best user experience for candidates and recruiters in the Global market.

The balance sheet in the financial statements shows that the Company has net assets of £869,937 at the year-end (2021: £638,240).

We continued to focus on recruiting talent to run their own profit and loss divisions, as a partner of RGH. With a plan to return to more company acquisitions in 2023. The Directors anticipate that this strategy will give partners and companies the valuation, liquidity, credentials and other scale benefits of being part of a large group of companies. In addition, operating an independent division or brand gives the ability to react fast to market opportunities and threats. This facilitates retaining entrepreneurial flair and agility, that has created their success to date. Collaboration and economies of scale on sales, costs, resources, and technology are also key features.

Financial Instruments

For the company, these comprise of bank balances, trade debtors and trade creditors. Credit risk is mitigated by credit checking clients and a strong credit control function. If an individual client's risk is assessed as too high the Company requests an advance payment for its services. Bad debt exposure is minimised due to our diverse spread of clients globally. Liquidity risk is managed through strong credit control procedures and by actively managing costs and credit terms with suppliers.

The Companies Acquisition Strategy

The Company pivoted its acquisition strategy in the year ending February 2021, focussing largely on talent acquisition / partner recruitment, as Covid 19 put many target companies in difficulty and in a toxic situation. This change in strategy has allowed us to grow fast and reduced our risk exposure. After year end 2021-2022, the Company acquisition strategy will be renewed.

The Group now covers over 20 sectors across 5 continents and continues to build a collaborative group of partners and SME's. There is a definitive strategy to grow busy sectors such as consultancy, tech, digital, health, finance, property, logistics, Government, and overseas key workers.

Group strategy

Group structure - The Group now comprises of 100% owned subsidiaries RGH-Global Ltd (which is its main trading Company), RGH-Group Services Ltd and Crown Sourcing Limited (formerly RGH Global Services Ltd/ISP Investments Ltd). They provide the recruitment infrastructure and knowledge base. In addition, we have established the following strategic divisions which are key to our future growth:

- RGH Digital Ltd
- RGH Environment Ltd
- RGH Resource Consultancy Ltd
- Excellium Ltd subsidiary of RGH-Global Ltd

The Group is originating deal flow from a trusted growing network in the recruitment, human resource, training, and consultancy sectors in the UK and Globally. It also uses internal and external recruiters. Every new partner is also expected to bring with it a new extension to the network and new opportunities. Acquisition and partnerships will still take the form of small and medium sized companies, sole traders, and talent. The latter two categories provide fast agile growth simply ~~as divisions and partners.~~

The Company and its 100% owned subsidiary RGH Global Ltd completed the effective acquisition of Olmec in Singapore strengthening its APAC presence in February 2023 and is in advanced talks with another potential acquisition

RGH continues to trade on the JP Jenkins trading platform.

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

Section 172 Statement

Resource Group Holdings Plc and its subsidiaries help candidates find rewarding work and assists clients find the right talent to grow their businesses. We promote the success of the company through:

- the desirability of the Company maintaining a reputation for high standards of business conduct
- respect the diversity of our employees,
- protect the environment in the communities we serve globally.

Long term consequences of decisions and maintaining high standards of business conduct

Resource Group Holdings Plc believes in honesty, integrity, collaboration and sharing the value. Our emphasis on business ethics is one reason clients and candidates continue to turn to Resource Group Holdings Plc and we employ what we consider to be the best partner team in our industry.

Identification of and engagement with stakeholder groups

Resource Group Holdings Plc demonstrates ongoing commitment to corporate and social responsibility through our compliance policies and we recognise that meaningful engagement with our key stakeholders is integral to the company's continued success. To this end we have put together the following initiatives:

- Connecting Corporates & Communities (CCC) was the flag ship project for the Positive Transformation Initiative (PTI) in 2022 and this project is now leading locally a UK wide prototype for a global initiative, to create opportunities and Brighter Better Futures for all. RGH are committed to working with PTI in Connecting Corporates & Communities (CCC) and building brighter better futures through the creation of pathways into employment whilst providing fully funded access to learning.
- Connecting Corporates with Communities (CCC) demonstrates the creation of access to a completely new diverse segment of available talent across the UK, removing many of the ineffective recruitment/training companies and other expensive agents of talent attraction, while giving Corporates access to a diverse untapped group of 20% of the UK population by engaging directly with Communities.

Included in this programme are fully funded skills development and training programmes, along with recognised qualifications delivered to the end user by advanced Ai technology, all of which can be applied across a Corporates entire organisation at all levels with either no cost or a heavily subsidised funding streams in hundreds of disciplines. This is for all staff in all businesses, significantly reducing costs of recruitment, learning and development.

Our Workforce

The RGH employee team are all partners in our business. We share a common vision of collaboration and best practice and in the value generated. They are our most valuable asset. Resource Group Holdings Plc remains deeply committed to creating a culture where everyone can connect, grow and develop by introducing talks, seminars and webinars to encourage and inspire our employees.

Our Suppliers

Our suppliers include office supplies including stationery, IT hardware and software, office rental and catering services, advertising and print services plus professional services. We have a vetting process and always look at third party reviews and recommendations.

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

Our Candidates

Resource Group Holdings Plc continually looks to improve the candidate experience by understanding their career goals and finding the right job that is the right fit for them. We provide challenging and rewarding career options based on your talent for permanent, temporary, interim and full-time roles. It's pointless recommending someone for a vacancy in order to achieve quick results, whether it's permanent or temporary. We are successful, not just because we can find candidates a position, but because we can match people to places and create long lasting career opportunities. We ensure that you and the prospective employer are totally compatible. That way you can look ahead with confidence.

Our Clients

We assist businesses in locating the talent they need to succeed and expand. We are a Technology, Innovation and Business Service led Company and we have a broad range of clients across different business sectors and expertise. Our DNA is that we specialise in leveraging technology and our interpersonal skills to source candidates at all levels from the C suite to the trainee, accurately, on budget and within agreed timescales every time. To engage with our clients successfully, we need to understand their requirements. RGH covers a wide range of sectors through its extensive network of partners providing resources for SME's through to major Institutions.

Take a look at our website for further information www.resourcegroup Holdings.com

Our Communities and the Environment

Resource Group Holdings Plc is proud to work with the "Positive Transformation Initiative" and the Cherie Blair Foundation for Women to make the world a better place. One of RGH's core pillars is to use some of its profit for good. We can't change the world but we can do our bit and are strategically aligned with The Positive Transformation Initiative and The Eden Reforestation Projects. RGH are constantly seeking to make our activities Responsible, Inclusive and Sustainable, while being transparent and accountable, developing shared sustainable impact goals.

Modern Slavery Statement

The Board has approved the Company's policy on Anti-slavery and human trafficking

On behalf of the board

Mr C Swailes
Director

25 August 2023

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

DIRECTORS' REPORT

FOR THE PERIOD ENDED 25 FEBRUARY 2022

The directors present their annual report and financial statements for the period ended 25 February 2022.

Principal activities

The principal activity of the company continued to be that of being a holding company for recruitment services to whom management services are provided.

Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

Mr H Janagol
Mr J Madgwick
Mr C Parry
Mr C Swailes

Post reporting date events

Please see disclosures in Strategic Report for significant post balance sheet events.

Auditor

The auditor, Gravita II LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

**RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT
GROUP HOLDINGS PLC)**

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

Statement of disclosure to auditor

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

On behalf of the board

Mr C Swales
Director

25 August 2023

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

We have audited the financial statements of Resource Group Holdings Plc (formerly known as Recruitment Group Holdings Plc) (the 'company') for the period ended 25 February 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 25 February 2022 and of its profit for the period 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 qualified opinion

The group has amounts owed by group undertakings of £1,353,346 included with debtors at the period end. We were unable to obtain sufficient appropriate audit evidence regarding the recoverability of these amounts, and therefore the appropriate carrying value as insufficient information regarding the subsidiary undertakings has been provided by the management and we were then unable to determine whether any adjustments to these amounts were necessary. In addition, were any adjustment to these amounts to be required, the strategic report would also need to be amended.

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.

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the Company is dependent upon the successful growth of its subsidiaries, as well as additional fundraising to continue as a going concern. These events or conditions, along with the other matters as set out in note 1.2, indicate that a material uncertainty exists which may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included reviews of future estimates of costs and latest bank balances to ensure the Company can cover its overheads. However, the Company will need to generate cash, either from the growing trade of its subsidiaries, or by raising additional finance in order to continue with its programmes and to meet its recurring expenditure.

We note that although the Company has been successful in the past in raising additional finance, there can be no assurance that the funding required by the Group will be made available to it when needed or, if such funding were to be available, that it would be offered on reasonable terms.

We also performed the following procedures;

- We obtained and reviewed the Directors' assessment, including challenging the liquidity position
- We assessed the robustness of the Directors' business planning process
- We assessed the key assumptions and estimates considered by management
- We assessed the sensitivities of the underlying assumptions
- We reviewed the latest financial information to gauge the financial position; and
- Considered the entity's historic ability to raise funds

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.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves whether any adjustments are necessary to amounts owed by group undertakings totalling £1,353,346 at 25 February 2022. We have concluded that where other information refers to amounts receivable or the results for the year, it may be materially misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial period 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.

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified opinion section of our report, 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 directors' report.

Arising solely from the limitation on the scope of our work relating to debtors recoverability, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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:

- 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

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 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.

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

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 is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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:

Our approach to identify and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instance of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud may occur, by

- Making enquiries of management as to *where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud*; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment by for example forgery, or intentional misrepresentation or through collusion. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

John Donohoe FCA
Senior Statutory Auditor
For and on behalf of Gravita II LLP

25 August 2023

Chartered Accountants
Statutory Auditor

30 City Road
London
EC1Y 2AB

**RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT
GROUP HOLDINGS PLC)**

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 25 FEBRUARY 2022

	Notes	Period ended 25 February 2022 £	Year ended 28 February 2021 £
Turnover	3	656,003	223,000
Administrative expenses		(364,970)	(227,838)
Other operating income		16,318	1,744
Operating profit/(loss)	4	307,351	(3,094)
Interest payable and similar expenses	7	(3,036)	(1,805)
Profit/(loss) before taxation		304,315	(4,899)
Tax on profit/(loss)	8	-	-
Profit/(loss) for the financial period		304,315	(4,899)

The income statement has been prepared on the basis that all operations are continuing operations.

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

STATEMENT OF FINANCIAL POSITION

AS AT 25 FEBRUARY 2022

	Notes	25 February 2022		28 February 2021	
		£	£	£	£
Fixed assets					
Tangible assets	9		391		1,083
Investments	10		300		603,620
			<u>691</u>		<u>604,703</u>
Current assets					
Debtors	12	1,366,283		410,763	
Cash at bank and in hand		2,173		2,977	
		<u>1,368,456</u>		<u>413,740</u>	
Creditors: amounts falling due within one year	13	<u>(380,329)</u>		<u>(333,730)</u>	
Net current assets			<u>988,127</u>		<u>80,010</u>
Total assets less current liabilities			<u>988,818</u>		<u>684,713</u>
Creditors: amounts falling due after more than one year	14		<u>(118,881)</u>		<u>(46,473)</u>
Net assets			<u><u>869,937</u></u>		<u><u>638,240</u></u>
Capital and reserves					
Called up share capital	16		3,738		3,356
Share premium account			633,424		706,424
Profit and loss reserves			232,775		(71,540)
Total equity			<u><u>869,937</u></u>		<u><u>638,240</u></u>

The financial statements were approved by the board of directors and authorised for issue on 25 August 2023 and are signed on its behalf by:

Mr C Swailes
Director

Company Registration No. 10150044

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 25 FEBRUARY 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 March 2020		3,180	199,600	(66,641)	136,139
Year ended 28 February 2021:					
Loss and total comprehensive income for the year		-	-	(4,899)	(4,899)
Issue of share capital	16	176	506,824	-	507,000
Balance at 28 February 2021		3,356	706,424	(71,540)	638,240
Period ended 25 February 2022:					
Profit and total comprehensive income for the period		-	-	304,315	304,315
Issue of share capital	16	382	287,000	-	287,382
Other movements		-	(360,000)	-	(360,000)
Balance at 25 February 2022		3,738	633,424	232,775	869,937

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 25 FEBRUARY 2022

	Notes	2022		2021	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	19		(297,360)		(183,562)
Interest paid			(3,036)		(61)
Income taxes paid			-		(9,861)
Net cash outflow from operating activities			<u>(300,396)</u>		<u>(193,484)</u>
Investing activities					
Purchase of tangible fixed assets		-		(1,083)	
Repayment of loans		12,210		-	
Net cash generated from/(used in) investing activities			<u>12,210</u>		<u>(1,083)</u>
Financing activities					
Proceeds from issue of shares		287,382		147,000	
New bank loans		-		50,000	
Net cash generated from financing activities			<u>287,382</u>		<u>197,000</u>
Net (decrease)/increase in cash and cash equivalents			<u>(804)</u>		<u>2,433</u>
Cash and cash equivalents at beginning of period			2,977		544
Cash and cash equivalents at end of period			<u><u>2,173</u></u>		<u><u>2,977</u></u>

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 25 FEBRUARY 2022

1 Accounting policies

Company information

Resource Group Holdings Plc (formerly known as Recruitment Group Holdings Plc) is a private company limited by shares incorporated in England and Wales. The registered office is 71-75 Shelton Street, Covent Garden, London, WC2H 9JQ.

1.1 Accounting convention

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

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

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

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company will continue in operation existence for the foreseeable future. These expectations were formed with reference to financial forecasts prepared by the directors, which include additional cash inflows from third party investors and the continued, ongoing support, of the company directors.

A director has confirmed that they will support the Company, providing additional working capital as necessary. Additionally, the directors have agreed not to request payment of monies owed in respect of accrued directors' remuneration for a period of at least twelve months from the date of approval of the financial statements.

The directors are aware that the financial position of the group undertakings at the balance sheet date is negative, and one entity has entered a Creditors Voluntary Arrangement in August 2023, but they consider that the outlook for these entities is positive, albeit dependent on key contracts being profitable, and they intend to continue trading with the group undertakings. They also believe that they will be able to raise the required funds, given their successful history of doing so, and therefore consider the Company to be a going concern.

The directors have concluded that the combination of these circumstances may represent a material uncertainty which may cast significant doubt upon the company's ability to continue as a going concern and that, therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

1 Accounting policies (Continued)

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

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

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

Computers	3 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

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

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

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

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

1 Accounting policies (Continued)

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

1.7 Cash and cash equivalents

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

1.8 Financial instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

Other financial assets

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

Impairment of financial assets

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

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

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

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

1 Accounting policies

(Continued)

Derecognition of financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

Other financial liabilities

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

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

Derecognition of financial liabilities

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

1.9 Equity instruments

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

1.10 Taxation

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

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

1 Accounting policies

(Continued)

Current 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

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

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the 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 the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Leases

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

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

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

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

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

3	Turnover and other revenue	2022	2021
		£	£
	Turnover analysed by class of business		
	Management fees	656,003	223,000
		<u> </u>	<u> </u>
		2022	2021
		£	£
	Other revenue		
	Grants received	2,459	1,744
		<u> </u>	<u> </u>
4	Operating profit/(loss)	2022	2021
		£	£
	Operating profit/(loss) for the period is stated after charging/(crediting):		
	Government grants	(2,459)	(1,744)
	Fees payable to the company's auditor for the audit of the company's financial statements	10,250	10,000
	Depreciation of owned tangible fixed assets	692	-
	Operating lease charges	1,144	-
		<u> </u>	<u> </u>
5	Employees		
	The average monthly number of persons (including directors) employed by the company during the period was:		
		2022	2021
		Number	Number
		4	3
		<u> </u>	<u> </u>
	Their aggregate remuneration comprised:		
		2022	2021
		£	£
	Wages and salaries	-	151,368
		<u> </u>	<u> </u>
6	Directors' remuneration	2022	2021
		£	£
	Remuneration for qualifying services	-	151,368
		<u> </u>	<u> </u>

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

6 Directors' remuneration (Continued)

C Swailes charged the Company £90,000 (2021: £60,000) in respect of director fees in the period.

H Janagol charged the Company £50,000 (2021: £50,000) in respect of director fees in the period.

C Parry charged the Company £24,000 (2021: £21,500) in respect of director fees in the period.

J Madgwick charged the Company £90,000 (2021: £20,000) in respect of director fees in the period.

7 Interest payable and similar expenses

	2022 £	2021 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	3,036	1,805
	<u> </u>	<u> </u>

8 Taxation

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

	2022 £	2021 £
Profit/(loss) before taxation	304,315	(4,899)
	<u> </u>	<u> </u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	57,820	(931)
Group relief	(57,820)	931
	<u> </u>	<u> </u>
Taxation charge for the period	-	-
	<u> </u>	<u> </u>

9 Tangible fixed assets

	Computers £
Cost	
At 1 March 2021 and 25 February 2022	1,083
	<u> </u>
Depreciation and impairment	
At 1 March 2021	-
Depreciation charged in the period	692
	<u> </u>
At 25 February 2022	692
	<u> </u>
Carrying amount	
At 25 February 2022	391
	<u> </u>
At 28 February 2021	1,083
	<u> </u>

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

10 Fixed asset investments	Notes	2022 £	2021 £
Investments in subsidiaries	11	300	603,620
Movements in fixed asset investments			
			Shares in subsidiaries £
Cost or valuation			
At 1 March 2021			603,620
Valuation changes			(603,320)
At 25 February 2022			300
Carrying amount			
At 25 February 2022			300
At 28 February 2021			603,620

Included in Fixed Asset Investment cost is £603,320 (2021 : £603,320) invested into Crown Sourcing Limited (Companies House Number : 08642120), a 100% subsidiary.

Crown Sourcing Limited is currently in a Creditors Voluntary Arrangement. Crown Sourcing Limited have agreed a CVA on a 5 year term so to allow the company to continue to trade. The Directors have impaired this investment.

11 Subsidiaries

Details of the company's subsidiaries at 25 February 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Crown Sourcing Servies Ltd	2nd Floor, 3 Hart Street, London, EC3R 7NB	Ordinary shares	100.00
RGH Group Services Limited	2nd Floor, 3 Hart Street, London, EC3R 7NB	Ordinary shares	100.00
RGH-Global Limited	2nd Floor, 3 Hart Street, London, EC3R 7NB	Ordinary shares	100.00
RGH Resource Consultancy Limited	2nd Floor, 3 Hart Street, London, EC3R 7NB	Ordinary shares	100.00
RGH Environmental Limited	2nd Floor, 3 Hart Street, London, EC3R 7NB	Ordinary shares	100.00
RGH Digital Limited	2nd Floor, 3 Hart Street, London, EC3R 7NB	Ordinary shares	100.00
Excellium search Ltd	2nd Floor, 3 Hart Street, London, EC3R 7NB	Indirect	-

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	12,937	12,210

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

12 Debtors	(Continued)	
	2022	2021
	£	£
Amounts falling due after more than one year:		
Amounts owed by group undertakings	1,353,346	398,553
	<u> </u>	<u> </u>
Total debtors	1,366,283	410,763
	<u> </u>	<u> </u>

The total due from group undertakings includes £656,000 of Management fees charged by the Company in the year ended February 2022.

Post year end the total group undertaking balance increased and there has been minimal collections on these amounts due.

Resource Group Holdings Plc continues to trade with the group undertakings and the Directors believe the balances to be fully recoverable and that full settlement will be received and therefore, have not made any provisions against these amounts. Currently however, it is not possible to predict with any certainty the timing of the recoverability of the amounts due from the group undertakings.

13 Creditors: amounts falling due within one year		2022	2021
	Notes	£	£
Bank loans	15	3,527	3,527
Trade creditors		41,254	79,415
Taxation and social security		75,222	73,081
Other creditors		-	5,173
Accruals and deferred income		260,326	172,534
		<u> </u>	<u> </u>
		380,329	333,730
		<u> </u>	<u> </u>

14 Creditors: amounts falling due after more than one year		2022	2021
	Notes	£	£
Bank loans and overdrafts	15	46,473	46,473
Amounts owed to group undertakings		72,408	-
		<u> </u>	<u> </u>
		118,881	46,473
		<u> </u>	<u> </u>

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

15 Loans and overdrafts

	2022	2021
	£	£
Bank loans	50,000	50,000
Payable within one year	3,527	3,527
Payable after one year	46,473	46,473

The Company took out a COVID Bounce Back Loan (BBL) of £50,000 in the previous year. The loan attracts interest of 2.5% per annual, with no interest nor capital repayments due for the first 12 months. The loan has a term of 10 years with the final payment due in 2030. The loan is secured by the Government.

16 Share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of 1p each	37,374,562	33,558,333	3,738	3,356

During the financial year there were various share allotments, with in total, 3,932,895 Ordinary shares being issued for total consideration of £287,000.

17 Operating lease commitments

Lessee

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

	2022	2021
	£	£
Between two and five years	35,700	-

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

18 Related party transactions

Remuneration of key management personnel

As at the year end, the Company owes a net balance of £44,883 (2021: £10,222 was owed) to C Swailes (a Director). This balance is unsecured, bears no interest and is repayable on demand.

As at the year end, the Company owes a net balance of £111,666 (2021: £81,666 was owed) to Best Mobile Ltd (a company controlled by H Janagol who is a Director). This balance is unsecured, bears no interest and is repayable on demand.

As at the year end, the Company owes a net balance of £70,368 (2021: £58,368 was owed) to C Parry (a Director). This balance is unsecured, bears no interest and is repayable on demand.

As at the year end, the Company owes a net balance of £66,200 (2021: £2,600) to J Madgwick (a Director). This balance is unsecured, bears no interest and is repayable on demand.

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

18 Related party transactions

(Continued)

The Company has the following balances outstanding with related parties as at the period end. Interest has been applied at the commercial rate of 1.25% to all balances owed by connected companies. All balances owed to connected companies are repayable on demand, interest free and unsecured.

- Crown Sourcing Limited (a direct 100% owned subsidiary) owes a balance of £312,789 (2021: £152,175) in relation to management charges raised by the Company against the related party and loans made. The Company has raised management fees in the year of £24,000.
- RGH Group Services Limited (a direct 100% owned subsidiary) owes a balance of £97,200 (2021: £29,568) in relation to management charges raised against the related party by the Company. The Company has raised management fees in the year of £96,000.
- RGH-Global Limited (a direct 100% owned subsidiary) owes a balance of £581,358 (2021: £54,932) in relation to management charges raised by the Company against the related party and loans made. The Company has raised management fees in the year of £180,000.
- Excellium Search Limited (a indirect 100% owned subsidiary) owes a balance of £60,750 (2021: £Nil) in relation to management fees raised by the Company. The Company has raised management charges in the year of £60,000.
- 3C Synergy Asia PTE Ltd owes a balance of £34,425 (2021: £Nil) in relation to management charges raised by the Company against the related party. The Company has raised management fees in the year of £34,000.
- 3C Synergy Hong Kong Ltd owes a balance of £34,425 (2021: £Nil) in relation to management charges raised by the Company against the related party. The Company has raised management fees in the year of £34,000.
- Five9's Consultancy Services Ltd owes a balance of £24,300 (2021: £Nil) in relation to management charges raised by the Company against the related party. The Company has raised management charges in the year of £24,000.
- Talent Ally Ltd owes a balance of £24,300 (2021: £Nil) in relation to management charges raised by the Company against the related party. The Company has raised management charges in the year of £24,000.
- Career Trials Ltd owes a balance of £24,300 (2021: £Nil) in relation to management charges raised by the Company against the related party. The Company has raised management charges in the year of £24,000.
- We Change Global Limited owes a balance of £24,300 (2021: £Nil) in relation to management charges raised by the Company against the related party. The Company has raised management charges in the year of £24,000.
- RGH Resource Consultancy Ltd (a direct 100% owned subsidiary) owes a balance of £36,450 (2021: £Nil) in relation to management charges raised by the Company against the related party. The Company has raised management charges in the year of £36,000.
- RGH Digital Ltd (a direct 100% owned subsidiary) owes a balance of £36,450 (2021: £Nil) in relation to management charges raised by the Company against the related party. The Company has raised management fees in the year of £36,000.
- RGH Environmental Ltd (a direct 100% owned subsidiary) owes a balance of £36,450 (2021: £Nil) in relation to management charges raised by the Company against the related party. The Company has raised management fees in the year of £36,000.
- Collective Collaboration LLP (a partnership under common control) owes a balance of £Nil (2021: £2,000).
- RGH Resource Consultancy Limited (a direct 100% owned subsidiary) is owed a balance of £45,099 (2021: £100).
- RGH Environmental Limited (a direct 100% owned subsidiary) is owed a balance of £100 (2021: £100).
- RGH Digital Limited (a direct 100% owned subsidiary) is owed a balance of £100 (2020: £100).
- RGH Group Services Limited (a direct 100% owned subsidiary) is owed a balance of £17,108.76 (2021: £Nil).

RESOURCE GROUP HOLDINGS PLC (FORMERLY KNOWN AS RECRUITMENT GROUP HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 25 FEBRUARY 2022

19 Cash absorbed by operations	2022	2021
	£	£
Profit/(loss) for the period after tax	304,315	(4,899)
Adjustments for:		
Finance costs	3,036	1,805
Depreciation and impairment of tangible fixed assets	692	-
Other Income		(1,744)
Movements in working capital:		
Increase in debtors	(724,410)	(260,584)
Increase in creditors	119,007	81,860
Cash absorbed by operations	<u>(297,360)</u>	<u>(183,562)</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.