

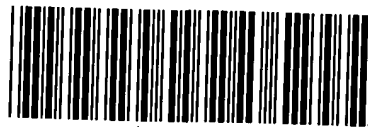
Company Registration No. 02041065

Resource Solutions Limited

Annual Report and Financial Statements

For the year ended 31 December 2020

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Resource Solutions Limited

Annual report and financial statements for the year ended 31 December 2020

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Resource Solutions Limited

Annual report and financial statements for the year ended 31 December 2020

Officers and professional advisers

Directors

A McDonnell
A Bannatyne

Company secretary

R Harris

Registered Office

11 Slingsby Place
St Martin's Courtyard
London
United Kingdom
WC2E 9AB

Bankers

Barclays
Level 28
1 Churchill Place
Canary Wharf
London
United Kingdom
E14 5HP

Solicitors

Squire Patton Boggs (UK) LLP
Premier Place
2 & A Hat Devonshire Square
London
United Kingdom
EC2M 4UJ

Auditor

BDO LLP
Chartered Accountant
55 Baker Street
London
W1U 7EU

Resource Solutions Limited

Strategic report

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Principal activity and future developments

The company is a wholly-owned subsidiary of Robert Walters Plc.

During the year, the company's principal activity was the provision of Recruitment Process Outsourcing and Managed Service Provider services in respect of permanent and contract staff. The directors are not aware, at the date of this report, of any likely changes in the company's activity in the next year.

Business review

The audited financial statements for the year ended 31 December 2020 are set out on pages 15 - 29. The directors consider the year-end financial position to be satisfactory given the trading environment.

Profit after taxation for the year ended 31 December 2020 was £1,482,000 (2019: £7,470,000) on a turnover of £268,904,000 (2019: £433,269,000). The net assets of the company at 31st December 2020 are £15,833,000 (2019: £14,566,000).

No dividend was paid during the year (2019: £15,000,000). No further dividends are proposed at year end.

A detailed business review of the Robert Walters group, which includes the performance of this company is included in the annual report of Robert Walters Plc. The annual report does not form part of these statements.

The clearance of the first major Brexit hurdle and a decisive General Election result made for a positive start to 2020 with client and candidate confidence showing clear signs of improvement. However, the onset of the pandemic and the announcement of a UK - wide lockdown in March significantly impacted hiring activity and confidence levels. Our business right sized to reflect both our clients' hiring volumes and the ending of a small number of existing contracts. However, on a more positive note the business continued to win a number of new deals and broaden our service delivery. Of particular note, the Company is extremely proud that, over the last year, Resource Solutions Limited has been working closely with the NHS in its fight against coronavirus, helping to manage the onboarding of both healthcare workers and vaccinators.

With new or extended lockdowns still occurring across much of the world and new variants of coronavirus being identified, market conditions remain challenging and visibility is limited. That said, the speed the UK vaccination programme is progressing coupled with signs of improvement in forward looking indicators, there is a degree of optimism for a longer term economic recovery. Early 2021 trading is in line with current market expectations for the full year.

Resource Solutions Limited

Strategic report (continued)

Key performance indicators

KPI and Definition

Net Fee Income (Gross Profit) – Net fee income is the total placement fees of permanent candidates, the margin earned on the placement of contract candidates and the margin from advertising.

Operating Profit – Operating profit represents net fee income less administrative expenses.

Productivity – Productivity represents the total net fee income generated per fee earner

Debtor Days – Debtor days represents the length of time it takes the Company to receive payments from its debtors. It is calculated by reference to the number of days' billings it takes to cover the debtor balance.

Analysis

- Net fee income decreased by 32% (2019: 8% decrease). This was largely driven from the uncertainty in the economy derived from the COVID-19 pandemic.
- Tough trading environment created by coronavirus resulted in an 71% decrease (2019: 3% decrease) in operating profit. A restructuring took place to reduce headcount as volumes and NFI dropped.
- In 2020, productivity increased by 9% (2019: 7% decrease).
- In 2020, debtor days increased to 17 (2019: 15) due to the cash flow impact of COVID-19 on debtors.

Principal risks and uncertainties

Risk management process

The directors recognise the importance of identifying and actively monitoring the full range of financial and non-financial risks facing the business. By regularly reviewing the risk profile of the business, the directors ensure that the risk exposure remains appropriate at any point in the cycle. The effectiveness of the risk management process is monitored by the Audit and Risk Committee. The process involves identifying and prioritising the key risks, and developing and implementing appropriate mitigation strategies to address those risks.

We review our risks in terms of likelihood of occurrence and potential impact on the business and the Audit and Risk Committee reviews and considers the extent to which management has addressed the key risks through appropriate controls and actions to mitigate those risks. The management team continues to consider key risk areas on an ongoing basis with a specific periodic review at least once a year of their system of internal controls to ensure that each risk area is addressed within the business. The Internal Audit function reviews and tests the effectiveness of these controls to ensure that risk is being managed properly and effectively.

A summary of the key risks that we believe could potentially impact the Company's operating and financial performance, together with associated key actions, is shown below.

Resource Solutions Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

Risk

Economic environment - Job availability and the level of candidate confidence in the employment market are important factors in determining the total number of recruitment transactions in a given year. Candidates are less inclined to move jobs when the number of jobs available is stagnant or in decline, which could lead to a deterioration in the Company's financial performance.

Business Model - Competition risk varies in the Company's region depending on the maturity of client and candidate market. The emergence of new technology platforms such as social media for recruitment purposes may also lead to increased competition.

Talent attraction and retention - The Company relies heavily on recruiting and retaining talented individuals with the right skill-sets to grow the business.

Actions to mitigate risk

- The Company's strategy when facing a slowdown in a market is to balance the cost base, such that the impact on profit is mitigated, against the perceived future benefit from the retention of key staff. A restructuring exercise took place at the beginning of the COVID-19 pandemic to allow the Company to balance the cost base. Historically, the Company has benefited substantially from increased operational gearing as a result of its policy of deliberately retaining key staff through economic downturns.
- The development of strong commercial relationships with clients has enabled the Company to win and then maintain its contracts with large global organisations and the Company also has a significant and small single site accounts.
- The Company reviews and monitors changes in technology and social media trends to ensure that it evolves appropriately. The Company continues to promote itself as a relationship recruiter operating in specialised markets, ensuring its online presence is competitive and provides a high-quality customer experience.
- The Company's policy of linking bonuses to profitability in discrete operating units has a high correlation to the retention of efficient and effective members of staff.
- Other elements of the strategy to improve staff retention and maximise career opportunities include significant investment of time and financial resources in employee training and development including regular weekly appraisals, aimed at core consultant competencies and focused on enhancing management potential. The Company's culture and the associated processes help to increase productivity and also improve the employee's alignment to the business. A comprehensive approach to succession planning is also in place across the company.
- The Company offers international career opportunities and actively encourages the redeployment of existing talent to international offices across the Group and also to establish new offices.
- Diversity and inclusion and gender pay initiatives are in place, including a review of family friendly policies, with target setting and committed actions to close gaps to mitigate the impact over time. The Company promotes, monitors and benchmarks diversity and inclusion, with initiatives and actions being a focus. The Company has a zero tolerance policy towards inappropriate behaviour.
- There are a significant number of mental health initiatives in place and it is considered high priority by management.

Resource Solutions Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

Risk

Brand and reputation — There is an inherent risk that the brand and reputation of the Company could be impacted by a failure to maintain high-quality service levels to both candidates and clients.

COVID-19 - Global recruitment activity levels have been impacted by the emergence of Coronavirus. Client demand is the biggest issue rather than operational capability to transact work. Candidate availability is still strong in a number of sectors but permanent candidates are naturally more cautious in changing roles at the year end. The global pandemic has caused us to move swiftly to remote working, to observe social distancing and many candidate interviews have seamlessly moved "on-line", as we adapt to the current challenges. Whilst the business has adapted well, Coronavirus is a key strategic risk for the company.

Laws and regulations - The Company has to comply with numerous laws and regulations, any change to which could have a detrimental effect on the Company's financial performance.

Actions to mitigate risk

- Quality control standards are maintained and reviewed for each stage of the recruitment cycle with all new employees receiving appropriate levels of training applicable to their role.
- Candidate and client satisfaction surveys are carried out on a regular basis, with Directors addressing any negative feedback directly with the client or candidate. A 'Contact us' email address is available on the Group's website so any negative feedback or improper conduct can be acted upon swiftly by the Group Marketing Director and local senior management.
- The business operates an agile model with a high variable cost element. It can therefore react to significant changes in demand levels accordingly. The company also has unified IT platforms and our consultants are fully mobile with the global roll out of Microsoft Surfaces completed before the start of the pandemic. Cost base saving measures have been introduced through flexible and reduced working days from team members, as we continuously monitor market developments. We have also taken advantage of government furlough schemes and 'time to pay' arrangements where appropriate. The Company applied for various government support programmes introduced in response to the global pandemic. Grants are accounted for under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in "Government grants" within profit or loss in the same period as the related expenditure. This includes the Government Coronavirus job Retention Scheme ('Furlough'). The group has not directly benefited from any other forms of government assistance.
- To ensure compliance, our legal department works with leading external advisors as required to monitor potential changes in employment legislation across the markets in which we operate.
- Contractual terms and conditions are thoroughly reviewed before signing to ensure contract provisions are fully understood and risks are fairly allocated between parties.
- An escalation process exists such that contracts with non-standard terms are reviewed and approved by the General Counsel and Chief Financial Officer as appropriate.

Resource Solutions Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

Risk

Technology — The Company is reliant on its technological infrastructure to maintain client and candidate data. A critical infrastructure or system disruption could have a material impact on the Company's financial results, whilst a loss of confidential and competitive information can have an adverse impact on operations and the reputation of the Company.

Actions to mitigate risk

- The Company maintains a comprehensive IT security policy, which is reviewed on a regular basis, covering all areas of IT security from user access through to server access.
- All sensitive candidate and client information is held securely with restricted access.
- Appropriate guidance and training on the security and handling of both manual and electronic documents including confidential and sensitive data is provided to all staff.
- The Group has a dedicated Chief Technology Officer and Group Information Security Officer with specific remits to consider and ensure that appropriate and reasonable controls are put in place, particularly in respect of Cyber related threats and data breach.
- The Company continues to review and improve its Business Continuity Plan to mitigate against any critical infrastructure disruptions.

Section 172 Statement

Through the risk management process as detailed in the Principal Risks and Uncertainties section of the Strategic Report on pages 2 to 6, the Directors have assessed the Company's risk profile, consequences of any decision in the long term, appropriate risk mitigation strategies and identification and consideration of emerging risks.

Key stakeholders are identified as those stakeholder groups fundamentally impacted by the performance and decisions of the Company, and those which have a significant impact on the long-term success of the Company. The interests of key stakeholders are considered through active stakeholder engagement. Our key stakeholder groups and other interested parties, and how we engage with them, are detailed in the Engagement with Shareholders and Key Stakeholders section in the Directors' Report on pages 7-9.

Future developments and events after the balance sheet date

The Directors expect the general level of activity to increase in the forthcoming year, mirroring the economic environment as COVID-19 vaccines become more widely available and economic confidence returns. The Directors have reviewed the financial statements post year end and has not identified any material impact on assets and liabilities as at 31 December 2020, as a result of COVID-19.

There have been a number of client contracts won and lost since year end but the directors do not believe this will have a material impact on the Company.

There have been no other significant post balance sheet events to report since 31 December 2020.

Approved by the Board of Directors and signed on behalf of the Board on 30th June 2021.



A Bannatyne
Director

Resource Solutions Limited

Directors' report

The directors present their annual report on the affairs of the Company, together with the audited financial statements and independent auditor's report, for the year ended 31 December 2020.

Directors

The directors who served throughout the year and at the date of this report are shown below:

A Bannatyne

A McDonnell

Future developments and events after the balance sheet date

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic Report on page 6.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position, are set out on pages 2 to 6. In order to support the going concern assumption for the impact of Covid-19 the Directors have assessed the long-term prospects of the Company as part of the Robert Walters Group plc (the Group) based upon business plans, cash flow projections for both the twelve-month period ending 31 December 2021 and the three-year period ending 31 December 2023 and the impact of the Covid pandemic. The forecasts and cash flow projections being used to assess going concern have been comprehensively stress-tested by using simulation techniques involving sensitivity analysis applying, in particular, projections of reduced net fee income of up to 20% from forecasts each year over a three-year period. In light of the Covid pandemic, the Directors have also completed reverse stress testing (as per the FRC guidance), by running various downside scenarios, including but not limited to, no revenue for four months in 2021, no further cost management, significant increase in debtors days and loss of key clients. The Company is a wholly owned subsidiary of the Group, which had £155.5m of net cash at 31 December 2020 and a £60.0m four-year committed financing facility until March 2024. The Group also has a non-recourse £15.0m facility. The Group has a strong balance sheet and considerable financial resources and remains confident of the Group's long-term growth prospects, and a diverse range of clients and suppliers across different geographic locations and sectors reduces the risks of any negative outcomes. During 2021 so far there has been some market recovery compared to last year however trading has not returned to pre covid conditions. As a consequence, the Directors believe that the Company is well-placed to manage its business risks successfully. After making enquiries, the Directors have formed a judgement, at the time of approving the financial statements, that, with the support of the Group, there is a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as they fall due over for at least 12 months for the date of approval of these financial statements. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

Financial risk management

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the directors consider the financial risks most relevant to this company are credit risk and liquidity risk.

Credit risk

The company's principal financial assets are bank balances and cash, trade and other receivables. The company's credit risk is primarily in respect of trade receivables.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss. The company has adopted a policy of only dealing with creditworthy counterparties. The company only transacts with entities that have adequate credit ratings. This information is supplied by independent rating agencies where available and if not available uses other publicly available financial information. Credit ratings of counterparties are continuously reviewed.

Resource Solutions Limited

Directors' report (continued)

Financial risk management (continued)

Liquidity risk

The company's overall objective is to ensure that at all times it is able to meet its financial commitments as and when they fall due. Surplus funds are invested on short-term deposit. Short-term flexibility is achieved by utilising the sales financing facility outlined below.

Financial liabilities

The company finances its operations through a mixture of retained earnings and a financing facility. A four year committed pound sterling sales financing facility has been entered into ending in March 2024. The average effective interest rate for 2020 on the sales financing facility approximates to 2.05% and is determined upon the lenders' published rate plus 1.45%.

Trade and other payables are settled within normal terms of business and are payable in less than 60 days.

Dividends

During 2020, no dividends were paid by the Company (2019: £15,000,000). There are no further dividends proposed at the year end.

Political contributions

During 2019 and 2020 no political contributions were made by the Company.

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of the other employees.

Equal opportunity

The company endorses and supports the principles of equal employment opportunities. It is the policy of the company to provide equal employment opportunities to all qualified individuals, and to ensure that all employment decisions are made, subject to legal obligations, on a non-discriminatory basis.

Engagement with shareholders and key stakeholders

The feedback and data received from the above engagements of our key stakeholders has allowed the board to decide on policies in 2020 such as furlough and voluntary pay reductions during the pandemic to retain jobs in the long term while still maintaining our high client and candidate engagement standards. For furlough we made the decision to protect as many jobs as possible and adopted flexi furlough when this became available to bring our workforce back. Additionally support staff who worked full time took voluntary pay reductions in the summer to help maintain a low cost base whilst our consultants were on furlough to minimise losses. This long term approach will put the company in a strong position to take advantage of the potential opportunities in 2021 and beyond.

The board have also implemented the work from home requirements required throughout the pandemic and have supported employees by providing the equipment and resources needed to work remotely successfully.

The Company aims for the highest levels of candidate and client service in which our suppliers help support us to achieve this. For further information on how we engage with these key stakeholders please refer to page 9.

Resource Solutions Limited

Directors' report (continued)

Engagement with shareholders and key stakeholders (continued)

Key stakeholder groups and other interested parties	How we engage
Candidates and clients	Our engagement with candidates and clients is driven by our commitment to quality. Candidate and client satisfaction surveys are carried out on a regular basis, with feedback addressed directly with the candidate or client. Through building relationships with integrity, the Company is able to focus on our service and customer satisfaction and to build consultative, long-term relationships. Feedback is taken extremely seriously and where appropriate is brought to the attention of the CEO during the year.
Workforce	The Directors have undertaken additional engagement internally in order to have greater visibility of internal behaviours and values, and assess and monitor corporate culture. Staff attrition rates and employee engagement surveys are reviewed and a whistleblowing policy is in place to ensure that employees/workers have a formal system that encourages them to voice their concerns.
Corporate Social Responsibility	Part of the Company's responsibility is to maintain the highest ethical standards in all our operations. We also maintain a zero-tolerance policy against corruption and bribery, which applies to all Directors, employees and contractors undertaking work on behalf of the Company. We continue to support and invest in initiatives and partnerships that help individuals and communities to fulfil their own unique potential through economic empowerment and corporate advocacy.
Environment	The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by its activities as noted above. The Company operates in accordance with Robert Walters Plc's policies and initiatives which are designed to minimise Robert Walters Plc's impact on the environment including recycling, waste management, energy procurement and consumption. An Energy and Carbon report has not been included within the report as it is included within the group report of Robert Walters Plc.
Suppliers	The Company requires all suppliers to behave ethically, in accordance with all legislation including the Anti-Bribery and Modern Slavery Acts. We value our suppliers and adopt the principles of prompt payment and the agreement of mutually sensible and beneficial contractual terms. The Directors consider this ethical approach to be appropriate and our whistleblowing processes ensure confidential escalation can take place as required.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board.



A Barnatyne
Director
30th June 2021

Resource Solutions Limited

Directors' responsibilities statement

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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs 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; 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.

Resource Solutions Limited

Independent auditor's report to the members of Resource Solutions Limited

Opinion on the financial statements

In our opinion the financial statements:

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

We have audited the financial statements of Resource Solutions Limited ("the Company") for the year ended 31 December 2020 which comprise the profit and loss account, the balance sheet, the statement of changes in equity, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

Resource Solutions Limited

Independent auditor's report to the members of Resource Solutions Limited (continued)

Other Companies Act 2006 reporting

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

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

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

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

- adequate accounting records have not been kept, 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, 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.

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to Resource Solutions Limited. We determined that the most significant laws and regulations which are directly relevant to specific assertions in the financial statements are those related to the reporting framework (UK GAAP and the Companies

Resource Solutions Limited

Independent auditor's report to the members of Resource Solutions Limited (continued)

Act 2006), regulations impacting recruitment company licensing in certain jurisdictions, and labour regulations and tax in key territories in which the Company operates.

- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it is considered there was a susceptibility of fraud. Our considerations included enquiries with component management and component auditors.
- We also considered potential fraud drivers, including financial or other pressures, opportunity, and personal or corporate motivations. We considered the programmes and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and key areas of estimation uncertainty or judgement, for example: accrual or deferral of revenue from placements, placement 'back out' provisions, bad debt provisions, bonus accruals, and provisions for losses on customer contracts.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

Resource Solutions Limited

Independent auditor's report to the members of Resource Solutions Limited (continued)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 or 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.

DocuSigned by:



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Mark Cardiff (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

30 June 2021

London, UK

30 June 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Resource Solutions Limited

Profit and loss account Year ended 31 December 2020

	Notes	2020 £'000	2019 £'000
Turnover	1,3	268,904	433,269
Cost of sales		(221,302)	(363,651)
Gross profit		47,602	69,618
Government Grants	8	1,813	-
Administrative expenses		(46,623)	(59,833)
Operating profit		2,792	9,785
Finance income	4	350	283
Finance charges	5	-	(10)
Profit on ordinary activities before taxation	6	3,142	10,058
Tax on profit on ordinary activities	9	(1,660)	(2,588)
Profit for the financial year attributable to the equity shareholders of the Company		1,482	7,470

The results for the current year were derived entirely from continuing activities.

There are no other recognised gains or losses for the current or preceding financial year other than as stated in the profit and loss account. Accordingly, no statement of other comprehensive income is presented.

The notes on pages 18 to 29 form part of these financial statements

Resource Solutions Limited

Balance sheet

As at 31 December 2020

Company No. 02041065

	Notes	2020 £'000	2019 £'000
Non current assets			
Intangible assets	12	150	1,288
Tangible assets	13	182	357
		<u>332</u>	<u>1,645</u>
Current assets			
Debtors – due within one year	14	146,070	143,726
Cash at bank and in hand		12,683	320
		<u>158,753</u>	<u>144,046</u>
Creditors: amounts falling due within one year	15	<u>(143,252)</u>	<u>(131,125)</u>
Net current assets		<u>15,501</u>	<u>12,921</u>
Total assets less current liabilities		<u>15,833</u>	<u>14,566</u>
Net assets		<u>15,833</u>	<u>14,566</u>
Capital and reserves			
Called up share capital	16	-	-
Profit and loss account	16	15,833	14,566
		<u>15,833</u>	<u>14,566</u>
Total equity shareholder's funds		<u>15,833</u>	<u>14,566</u>

The notes on pages 18 to 29 form part of these financial statements

The financial statements of Resource Solutions Limited, registered number 02041065 were approved by the Board of Directors on 30th June 2021.

Signed on behalf of the Board of Directors



A Bannatyne
Director

Resource Solutions Limited

Statement of changes in equity For the year ended 31 December 2020

	Notes	Share Capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2019		-	21,997	21,997
Total comprehensive income		-	7,470	7,470
Movements in equity in respect of share incentive schemes	11	-	562	562
Dividends paid on equity shares	10	-	(15,000)	(15,000)
Movement in foreign currency reserve		-	(463)	(463)
At 31 December 2019		-	14,566	14,566
Total comprehensive income		-	1,482	1,482
Movements in equity in respect of share incentive schemes	11	-	229	229
Dividends paid on equity shares	10	-	-	-
Movement in foreign currency reserve		-	(444)	(444)
At 31 December 2020		-	15,833	15,833

Resource Solutions Limited

Notes to the accounts Year ended 31 December 2020

1. Accounting policies

The principal accounting policies of the company are summarised below and have been consistently applied in the current and preceding year.

Basis of accounting

Resource Solutions Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The company is a private company limited by shares, registered in England and Wales. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on pages 2 to 6.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and Company's House.

The functional currency of Resource Solutions Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Resource Solutions Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Resource Solutions Limited is consolidated in the financial statements of its parent, Robert Walters Plc, which may be obtained at 11 Slingsby Place, St Martin's Courtyard, London, WC2E 9AB. Exemptions have been taken in these separate Company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Going concern

In order to support the going concern assumption the Directors have assessed the long-term prospects of the Company as part of the Robert Walters Group Plc (the Group), based upon business plans, cash flow projections for both the twelve-month period ending 31 December 2021 and the three-year period ending 31 December 2023 and the impact of the Covid pandemic.

The forecasts and cash flow projections being used to assess going concern have been comprehensively stress-tested by using simulation techniques involving sensitivity analysis applying, in particular, projections of reduced net fee income of up to 20% from forecasts each year over a three-year period.

In order to support the going concern assumption, the Company prepared detailed forecasts showing the current Company financing position and future cash flows for the four-year period ending 31 March 2023; the Company's financing arrangements include a committed four-year borrowing facility of £60.0m until February 2023, and are supported by Group net current assets of £119.9m.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of the approval of the financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

1. Accounting policies (continued)

Turnover

Turnover comprises the value of services, net of VAT and other sales related taxes, provided by the company in the normal course of business.

Turnover from the placement of permanent staff is recognised when a candidate accepts a position and a start date is determined. A provision is made for the cancellation of placements prior to or shortly after the commencement of employment based on prior experience of this occurring.

Turnover from temporary placements represents the amounts billed for the services of temporary staff including the salary costs of those staff. This is recognised when the service has been provided, to the extent that the company is acting as a principal. Where the company is not considered to act as a principal, the salary costs of the temporary staff are excluded from turnover and only the net margin is recognised as turnover in accordance with FRS 102.

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

Gross profit (Net fee income)

Gross profit is the total placement fees of permanent candidates, the margin earned on the placement of temporary candidates and advertising income.

Leases

The Company as lessee

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

1. Accounting policies (continued)

Pensions

The company currently contributes to the money purchase pension plans of certain individual directors and employees. Contributions payable in respect of the year are charged to the profit and loss account. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

Taxation

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

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

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment is measured using the revaluation model.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

1. Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Intangible fixed assets

Intangible assets acquired separately from a business are capitalised at cost.

Intangible assets are amortised on a straight-line basis over their estimated useful lives up to a maximum of 10 years. Where the intangible assets are regarded as having indefinite lives they are not amortised but reviewed on an annual basis for impairment.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	the shorter of estimated useful life and the period of the lease
Fixtures, furniture and office equipment	10% or the estimated useful life if shorter
Computer equipment	20% to 33.3% or the estimated useful life if shorter

Receivables

Trade and other receivables are recorded at cost, less any provision for impairment. Any losses and subsequent reversals are recorded in the profit and loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Other financial liabilities

Other financial liabilities, including borrowings, are measured at fair value, net of transaction costs.

Employee share schemes

The cost of awards made under the company's employee share schemes is based on the fair value of the shares at the time of grant and is charged to the profit and loss account on a straight-line basis over the vesting period, based on the company's estimate of shares that will eventually vest.

Fair value is measured by use of a stochastic model. The expected life has been adjusted, based on management's best estimate, for the effects on non-transferability, exercise restrictions and behavioural considerations. A reserve equal to the portion of the services received is recognised at the asset's fair value determined at each balance sheet date for equity settled share-based payments.

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

1. Accounting policies (continued)

Government grants

The Company applied for various government support programmes introduced in response to the global pandemic. Grants are accounted for under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in "Government grants" within profit or loss in the same period as the related expenditure. This includes the Government Coronavirus job Retention Scheme ('Furlough'). The group has not directly benefitted from any other forms of government assistance.

Related party transactions

The company is a subsidiary undertaking of Robert Walters Plc, which prepares consolidated financial statements that are publically available. On this basis, the company has taken advantage of the exemption in FRS 102 from disclosing transactions with other wholly-owned subsidiaries of Robert Walters Plc.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Due to inherent uncertainty involved in making estimates and assumptions, actual outcomes could differ from those assumptions and estimates.

- **Revenue recognition:** revenue from the placement of permanent staff is recognised when a candidate accepts a position and a start date is determined. A provision is made by management, based on historical evidence, for the proportion of those placements where the candidate is expected to reverse their acceptance prior to the start date. The provision in 2020 is £50,000 (2019: £2,300,000).

Critical accounting judgements

Management has identified the timing of revenue recognition as a critical judgement in arriving at the amounts recognised in the Company's financial statements.

Revenue recognition: revenue in respect of permanent placements is deemed to be earned when a candidate accepts a position and a start date is agreed, but prior to employment commencing. In making this judgement, management considered the detailed criteria for the recognition of revenue from permanent placements.

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

3. Segment Information

	2020 £'000	2019 £'000
Turnover by geographical segments		
United Kingdom	268,904	433,269

The Company's turnover throughout 2020 and 2019 was derived from the provision of Recruitment Process Outsourcing and Managed Service Provider services in respect of permanent and contract staff in the UK, and accordingly the directors believe that there are no separately identifiable business segments.

4. Finance income

	2020 £'000	2019 £'000
Interest receivable and similar income		
Interest receivable on intercompany loans	178	167
Foreign exchange gain	172	116
Total finance income	350	283

The foreign exchange gain arises primarily on the translation of intercompany balances.

5. Finance charges

	2020 £'000	2019 £'000
Interest payable and similar expenses		
Bank loans and overdrafts	-	(10)
Total finance charge	-	(10)

The foreign exchange loss arises primarily on the translation of intercompany balances.

6. Profit before taxation

Profit before taxation is stated after charging:

	2020 £'000	2019 £'000
Amortisation of intangible assets owned	592	613
Depreciation of tangible fixed assets owned	207	263
Operating lease rentals - land and building	235	235

Audit fees are presented to reflect the proportionate allocation of total group audit fees among the subsidiary entities.

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

7. Auditor's remuneration

Fees payable to BDO LLP and their associates for the audit of the company's annual accounts were £35,017 (2019: 27,000).

Fees payable to BDO LLP and their associates for non-audit services to the company are not required to be disclosed because the consolidated financial statements of the parent company are required to disclose such fees on a consolidated basis.

8. Staff costs

The average monthly number of employees of the company (including directors):

	2020 No.	2019 No.
Fee earning staff	360	580
Administration staff	131	215
Total	491	795

	2020 £'000	2019 £'000		
Staff costs during the year (including directors)	Costs	Grants	Total	Total
Wages and salaries	28,334	(1,694)	26,640	37,091
Social security costs	2,377	(96)	2,281	4,771
Other pension costs	1,634	(23)	1,611	1,594
Cost of employee share options	229	-	229	561
	32,574	(1,813)	30,761	44,017

The directors of the company received no remuneration for their services to the company during the year (2019: £nil). No directors were members of the group money purchase pension schemes in 2020 (2019: None).

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

9. Tax on profit

	2020 £'000	2019 £'000
Current tax		
Current tax charge	797	2,152
Overseas withholding tax	9	8
Deferred tax	854	428
	<hr/>	<hr/>
Total tax charge on profit	1,660	2,588
	<hr/>	<hr/>
Reconciliation of the UK statutory tax rate to the effective total tax rate		
Profit before tax	3,142	10,058
	<hr/>	<hr/>
Tax charge at 19.00% thereon (2019: 19.00%)	597	1,911
Effects of:		
Expenses not deductible for tax purposes	(28)	168
Capital allowances in excess of depreciation	229	52
Overseas withholding tax	9	8
Origination and reversal of temporary timing differences	818	449
Effect of changes in tax rate	35	(21)
	<hr/>	<hr/>
	1,660	2,588
	<hr/>	<hr/>

The standard rate of tax applied to reported profit is 19.00% (2019: 19.00%).

There is no expiry date on temporary timing differences, unused tax losses or tax credits.

10. Dividends on equity shares

No dividends were paid in 2020. Dividends totalling £15,000,000 were paid in 2019.

11. Share based payments

The Company grants to its employees' rights to equity instruments of Robert Walters Plc, its parent company. The required disclosures are therefore included in Robert Walters Plc's consolidated financial statements. Resource Solutions Limited measures its share-based payment expense as a proportion of the expense recognised for the entire share-based payment scheme based on the number of employees participating in the scheme. The share based payment expense for the Group is allocated to individual components based on the number of employees within an individual component who receive share based payments.

Executive Share Options

Exercise of the Executive Share Options is subject to the achievement of a percentage increase in earnings per share which exceeds the percentage increase in inflation by at least an average of 8% per annum, over a period of three financial years of the Group. On satisfaction of these performance targets, 33.33% of the options vest. Vesting then increases progressively with the Executive Options fully vesting where earnings per share growth matches the UK retail price index plus an average of 14% per annum.

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

11. Share based payments (continued)

SAYE Option Scheme

The SAYE Option Scheme enables UK permanent employees to use the proceeds of a related SAYE contract to acquire options over ordinary shares of the Company at a discount of up to 20% of their market price. Options granted under the scheme can normally be exercised during a period of six months starting on the third anniversary of the start of the relevant SAYE contract. Exercise of an option is subject to continued employment.

Equity Settled Performance Share Plan

Under the terms of the Equity Settled Performance Share Plan (PSP) the number of shares receivable by Executive Directors for a nominal value is dependent upon the total shareholder return (TSR) and the earnings per share (EPS) growth over the three-year period from the initial date of grant. In the case of co-investment awards, the continued ownership of qualifying shares in the Company is also required. As such it is not possible to determine the interests of the individual Directors prior to the completion of the vesting period, although no shares will vest if the TSR performance does not at least equal the performance of the FTSE Small Cap Index or the EPS compound annual growth exceed 8%. For all of the PSP shares to vest, the TSR must exceed the FTSE Small Cap Index by a compound 12.5% per annum and the EPS compound annual growth must also exceed 14%.

The expense to the company is £229,000 (2019: £562,000).

12. Intangible fixed assets

	Computer software £'000	Total
Cost		
At 1 January 2020	4,037	4,037
Additions	92	92
Disposals	(1,756)	(1,756)
Impairment	(638)	(638)
At 31 December 2020	<u>1,735</u>	<u>1,735</u>
Accumulated amortisation		
At 1 January 2020	2,749	2,749
Charge for the year	592	592
Disposals	(1,756)	(1,756)
At 31 December 2020	<u>1,585</u>	<u>1,585</u>
Net book value		
At 31 December 2020	<u>150</u>	<u>150</u>
At 31 December 2019	<u>1,288</u>	<u>1,288</u>

An impairment test has been completed on the carrying value of intangibles where impairment indicators were identified and following the test, an impairment loss of £638,000 was recognised, mainly in respect of an in-house custom-built system.

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

13. Tangible fixed assets

	Leasehold improvements £'000	Fixtures, furniture and office equipment £'000	Computer equipment £'000	Total £'000
Cost				
At 1 January 2020	11	708	1,004	1,723
Additions	-	14	17	31
Disposals	-	-	-	-
At 31 December 2020	11	722	1,021	1,754
Accumulated depreciation				
At 1 January 2020	8	535	823	1,366
Charge for the year	2	118	87	207
Disposals	-	-	-	-
At 31 December 2020	10	653	910	1,573
Net book value				
At 31 December 2020	1	69	111	182
At 31 December 2019	3	173	181	357

14. Debtors: amounts falling due within one year

	2020 £'000	2019 £'000
Amounts falling due within one year:		
Trade debtors	37,480	49,886
Amounts owed by group undertakings	76,222	66,510
Prepayments and other debtors	12,677	923
Accrued income	19,266	26,407
Deferred tax asset	425	-
	<u>146,070</u>	<u>143,726</u>

As at 31 December 2020, the Company recognised £764,000 (2019: £645,000) of provision against gross receivables, included in the trade debtors balance.

Amounts owed by group undertakings are repayable on demand, unsecured and carry an interest rate of between 0% and 1% above the Bank of England base rate.

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

15. Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Bank overdrafts	-	17,946
Trade creditors	9,732	5,734
Amounts owed to group undertakings	31,538	30,076
Other taxation and social security	26,026	7,204
Other creditors	1,336	1,097
Accruals and deferred income	70,021	66,612
Corporation tax	4,599	2,152
Deferred tax	-	304
	<u>143,252</u>	<u>131,125</u>

Amounts owed to group undertakings carry an interest rate of between 0% and 1% above Bank of England base rate and are unsecured.

In February 2019, the Group renewed and extended to four years its committed financing facility from £45.0m to £60.0m which expires in March 2024. The interest charge for this facility for the year was £nil (2019:£ nil). At 31 December 2020, £nil (2019: £25.5m) was drawn down under this facility in total. Included in this draw down was £nil (2019: £19.1m) from Resource Solutions Limited. The interest charge for this facility for the year was £nil (2019:£nil).

16. Called share capital

	2020 £'000	2019 £'000
Authorised		
1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>-</u>	<u>-</u>

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses, including net of dividends paid and other adjustments.

Resource Solutions Limited

Notes to the accounts (continued) Year ended 31 December 2020

17. Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £'000	2019 £'000
Within one year	144	234
Between two and five years	-	144
Over five years	-	-
	<u>144</u>	<u>378</u>

18. Employee benefits

Defined contribution schemes

The Company operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to the profit and loss account for the year ended 31 December 2020 was £1,633,964 (2019: £1,594,000). The total amounts unpaid at 31 December 2020 was £114,599 (2019: £333,349).

19. Contingent liabilities

Each member of the Robert Walters plc group is party to joint and several guarantees in respect of banking facilities granted to Robert Walters Operations Limited and Resource Solutions Limited.

There were no other significant contingent liabilities at 31 December 2020 (2019: £nil).

20. Subsequent events

There have been no significant events since the balance sheet date.

21. Related party transactions

The company is a subsidiary undertaking of Robert Walters Plc, which prepares consolidated financial statements that are publically available. On this basis, the company has taken advantage of the exemption in FRS 102 from disclosing transactions with other wholly-owned subsidiaries of Robert Walters Plc.

22. Ultimate controlling party

The immediate parent company is Robert Walters Holdings Limited, a company incorporated in the United Kingdom. The registered office of Robert Walters Holdings Limited is 11 Stingsby Place, London, WC2E 9AB. The directors regard Robert Walters Plc, a company incorporated in the United Kingdom and registered in England and Wales, as the ultimate parent company and the ultimate controlling party. The registered office of Robert Walters Plc is 11 Stingsby Place, London, WC2E 9AB.

Robert Walters Plc is the parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from 11 Stingsby Place, London WC2E 9AB.