RIDGECREST PLC

(formerly Nakama Group plc)

ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

CONTENTS

OVERVIEW
CHAIRMAN'S STATEMENT

Ridgecrest plc was formerly called Nakama Group plc and was a recruitment business. During the course of 2020 the Board made several announcements relating to the financial instability of the business in light of the COVID 19 outbreak and its trading environment. Various recapitalisation strategies were pursued by the Board, but none of them came to fruition. The Board therefore embarked on a sale process and in January 2021 the whole of the Group's business and assets were sold to Sanderson Group Plc. Nakama Group plc was re-named Ridgecrest plc and became an AIM Rule 15 cash shell. The Company raised £2 million of new funds in mid-January 2021 since when it has been seeking and negotiating a suitable reverse takeover for the shell.

On 6 July 2021 the company announced that it entered into a non-binding heads of agreement with Mr Cristian Rada, as a result of which, subject to, inter alia, the execution of a legally-binding share purchase agreement, Ridgecrest would acquire Airline Invest SA and its wholly owned subsidiaries, Blue Air Aviation SA and Blue Air Technic SRL (together "Blue Air", a low-cost airline based in Romania).

At the same time, trading in the Company's shares on AIM was suspended as neither a Reverse Takeover nor readmission to trading on AIM as an investing company under the AIM Rules had been completed within six months of the disposal of the Group's operating business. Should the Company not complete a reverse transaction within six months of the date of suspension or be re-admitted to trading on AIM as an investing company under the AIM Rules, it is expected that the Company's shares will be cancelled from trading on AIM.

On 25 October, we announced that we had terminated negotiations on the proposed reverse takeover of Blue Air, as a consequence of Blue Air's inability to raise the pre-RTO funding that was the principal condition of the non-binding heads of agreement between Ridgecrest and Blue Air's vendors.

The Board of Ridgecrest has concluded that it is in the Company's shareholders' best interests to pursue an alternative transaction. I hope to be able to make a further announcement regarding an alternative transaction in the near future.

Robert Thesiger

Robert Thesiger
Chairman
29 October 2021

DIRECTORS

Rob Thesiger
Non-Executive Chairman

Robert has worked in the human capital sector for over 25 years and was most recently founder and Chief Executive Officer of The FISER Group Limited. Prior to this he was Chief Executive Officer of both Imprint PLC and Morgan McKinley Limited. Robert is a graduate of Exeter University and Cranfield Business School.

Philip Holt
Non-Executive Director

Philip qualified as a chartered accountant with Deloitte Haskins and Sells ("DH&S") in Manchester in 1986. Having spent 10 years at DH&S and 18 months working for DH&S in Atlanta, USA, Philip left DH&S to work in industry. Philip has 24 years' experience in industry, initially working for large corporates such as ICL, and Micro Warehouse, a NASDAQ quoted company, but more recently in SME and start-up businesses which were both publicly and privately owned often with private equity backing. Philip has held the position of Finance Director for several companies operating in the IT, direct mail, distribution, recruitment, and ship management sectors and has experience of financial management and growing companies in the UK, Europe and the US. He has extensive mergers and acquisitions experience in the UK, Europe and the US dealing with both the financial aspects of acquisitions and the post-merger integration of finance and operational functions.

In the last few years Philip has acted as a part time FD/consultant for a number of small and growing businesses providing help and guidance to the owners of those businesses. He has held the position of non-board interim Chief Financial Officer of Ridgecrest since January 2021.

James Normand
Non-Executive Director

James qualified as a Chartered Accountant in 1978, having trained with Spicer and Pegler (now part of Deloitte). Following a secondment to 3i plc, James specialised for the next 15 years in the provision of advice to management buy-out and buy-in teams and on private company acquisitions, disposals and capital raisings. Since 2002 James has fulfilled management and finance officer roles for a number of different commercial and charitable organisations, mostly on a part-time basis. From 2009 to 2016, he was the full-time finance director of Pathfinder Minerals Plc, an AIM-listed mining exploration company.

He is currently non-executive chairman of All Active Asset Capital Limited (until recently listed on AIM) and an executive director of Vela Technologies plc (listed on AIM), both of which are investing companies., Until early October 2021 James was also non-executive chairman of Global Resources Investment Trust plc, which is premium-listed on the London Stock Exchange.

DIRECTORS AND ADVISORS

Country of incorporation of parent company:	England and Wales
Company number:	01700310
Principal place of business:	Until January 2021, United Kingdom and Asia Pacific region; now a cash shell
Principal activities:	Until January 2021 recruitment consultants; now a cash shell
Directors:	Robert Thesiger (Executive Chairman) Philip Holt (non-executive) James Normand (non-executive)
Secretary:	Philip Holt
Registered office	New Kings Court Tollgate Chandlers Ford Southampton S053 3LG
Auditors:	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX
Nominated adviser and joint broker:	Allenby Capital Ltd 5 St Helens Place London EC3A 6AB
Joint broker	Peterhouse Capital Limited 3rd Floor 80 Cheapside London EC2V 6EE
Registrars:	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Solicitors:	Blake Morgan LLP New Kings Court Tollgate Chandlers Ford Southampton S053 3LG
Bankers:	HSBC Bank plc 28 Borough High Street London SE1 1YB

STRATEGIC REVIEW

STRATEGIC REPORT

The directors present their strategic report together with the audited financial statements for the year ended 31 March 2021.

Business model

Until January 2021 the Group provided recruitment services and solutions to its specialist niche market clients in a variety of geographical locations where there is both growing demand and a skills shortage. Recruitment services included permanent staff placements as well as temporary/freelance, contract and interim placements.

The Company was reclassified as an AIM Rule 15 cash shell on 4 January 2021. Following its reclassification as an AIM Rule 15 cash shell, the Company was required to make an acquisition which constituted a reverse takeover under the AIM Rules or be re-admitted to trading on AIM as an investing company under the AIM Rules within six months. Having failed to achieve this within this timescale, the Company's ordinary shares were suspended from trading on AIM on 6 July 2021. It is expected that the Company's admission to trading on AIM will be cancelled six months from the date of suspension, should the reason for the suspension not have been rectified.
Since Ridgecrest's re-classification as an AIM Rule 15 cash shell, the key objective of the Board has been to find a suitable reverse takeover candidate. The Board has undertaken extensive reviews of reverse takeover candidates and will always seek only to pursue transactions which it thinks have a reasonable chance of success, notwithstanding external market conditions and other factors which are beyond its control.

Going concern

The board raised £2 million in extra funding for Ridgecrest plc in mid -January. The Company retains sufficient of these funds to give the Board confidence that the Company has sufficient working capital to pursue and complete a reverse takeover within 12 months of the date of this report.
Accordingly, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation or existence for the foreseeable future and so 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 2 of the financial statements. The Parent Company's employees carry out their duties remotely, via the network infrastructure in place. As a result, there was no disruption to the operational activities of the Company during the COVID-19 social distancing and working from home restrictions. All key business functions continue to operate at normal capacity.

Key risks of the Group

Refer to discussion of key risks of the Group in Corporate Governance section.

GOVERNANCE

REPORT OF THE DIRECTORS

The Directors present their report together with the audited financial statements for the year ended 31 March 2021.

Review of the business

As announced on 5 January 2021, the Company completed the disposal of its operating businesses to Sanderson Group and at the year-end was an AIM Rule 15 cash shell. The results for the year therefore incorporate the results of the trading subsidiaries until the date of disposal and the financial position of the Company only at the year-end as shown in the attached financial statements and a detailed review is set out in the Strategic Report.

Results and dividends

The Group made an operating loss for the year of £483,000 (2020: £100,000) and a profit before taxation of £37,000 (2020: loss of £114,000) on revenue of £4.6m (2020: £9.7m).

The Directors do not recommend a final dividend (2020: nil). No interim dividend was paid during the year (2020: nil).

Directors

The Directors of the Company during the year were:

Timothy Sheffield Non-Executive Chairman (resigned 20 January 2021)
Michael Clelland Non-Executive Director (resigned 4 January 2021)
Robert Thesiger - Executive Chairman
Philip Holt - Non-Executive Director (appointed 20 January 2021)
James Normand - Non-Executive Director (appointed 20 January 2021)

Currently, there are three members of the Board and the Company has no plans to increase the number of directors in the near term.

Indemnity insurance for Company Officers

The Company has maintained insurance cover (including and up to the date of this report) for the Directors against liability arising from negligence, default, breach of duty and breach of trust in relation to the Company.

Substantial shareholders

As at 31 March 2021, the following substantial shareholdings had been notified to the Company:

	% of issued share capital
D & G Hart	7.4
Ashok Patel	6.0
John Mahtani	6.0
P4 Capital Limited	5.1
Richard and Charlotte Edwards	4.2
Ken Ford	4.2
Flare Capital Limited	3.4
Edward Andrews	3.0

As at 6 July 2021 (the most recent trading date) the following substantial shareholdings had been notified to the Company:

	% of issued share capital
Ashok Patel	8.4
D & G Hart	7.4
P4 Capital Limited	5.1
Edward Peter John Spencer*	5.0
Ken Ford	4.2
Paul McKillen	4.0
Flare Capital Limited	3.4
John Mahtani	3.3
Sarah Louise Spencer*	3.0
Edward Andrews	3.0

*Mr and Mrs Spencer have an aggregated holding of 8%

Share option schemes

Information regarding the Company's share option schemes is given in note 22 to the financial statements.

Financial instruments

Details of the Group's financial instruments and risk are given in note 21 to the financial statements.

Likely future developments in the business of the Group

Information on likely future developments in the business of the Group has been included in the Strategic Report.

Environment, human rights, employee, social and community issues

The Company is required by law to provide details of environmental matters (including the impact of the Company on the environment), employee, human rights, social and community issues (including information about any policies it has in relation to these matters and the effectiveness of those policies). At the year end the Company is an AIM shell company with no employees and the Board is composed of independent non-executive Directors. As a result, the Directors feel no additional disclosures are required since the Company has a minimal impact on the environment. The Company aims to minimise any detrimental effect that its actions may have by adhering to applicable social legislation, and, as a result, does not maintain specific policies in relation to these matters. The Company has no internal operations and therefore no greenhouse gas emissions to report nor does it have responsibility for any other emissions producing sources. In carrying out its investment activities and in relationships with suppliers, the Company aims to conduct itself responsibly, ethically and fairly.

Auditors

All of the Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the Company's auditor is unaware.

A resolution to reappoint Hazlewoods LLP as auditors will be proposed at the Annual General Meeting.

Approval

This report was approved by the Board of Directors on 29 October 2021.

By order of the Board

Robert Thesiger

Robert Thesiger, Chairman

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group. The Directors are also required to prepare financial statements in accordance with rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

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 they have been prepared in accordance with IFRSs and in conformity with the Companies Act 2006, 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.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Group's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

SECTION 172 STATEMENT

The Directors of the Company are required to promote the success of the Company for the benefit of the Members / Shareholders as a whole. Section 172(1) of the Companies Act 2006) expands this duty and requires the Directors to consider a broader range of interested parties when considering the promotion of the Company. This wider company of stakeholders included employees, customers, regulators and others, and the Board will look to understand and take into account the needs of each stakeholder, although recognising that different stakeholders may have conflicting priorities and not all decisions made will be to the benefit of all stakeholders. When making decisions the Board should consider the following:

- the likely consequences of any decisions in the long term;
- the interests of the Company's employees (if applicable);
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

At every Board meeting the Directors review the performance of the Company against its strategy. The financial performance is reviewed and measured against the Key Performance Indicators as set by the Board. The compliance with existing legal and regulatory requirements are reviewed, together with any new regulations that are to be introduced or are being proposed. Any new regulations are discussed and their potential impact on the Company and its stakeholders assessed. The Board recognises the importance of, and is committed to, understanding the views of Shareholders and maintaining communication with its Shareholders in the most appropriate manner.

The Directors have identified the following Groups as key stakeholders and relevant according to Section 172 Companies Act 2006:

Regulators

The Company operates in an environment that is governed by legal and regulatory requirements, which prescribe what the Company can undertake and how it can operate. The Board recognises that these restrictions are there to protect stakeholders. The Board's view is to adopt the sentiment and ethos of the rules and regulations.

Environment and Community

Due to the nature of the Company's activities it has little direct impact on the community or the environment. The Company seeks to reduce its impact on the environment by recycling whenever possible.

The Directors believe that they have effectively implemented their duties under section 172 of the Companies Act 2006. The Company has considered the long-term strategy of the business and consider that this strategy will continue to deliver long term success to the business and its stakeholders.

Strategy and Key Performance Indicators

The Company's principal activity is set out in the Strategic Report.

CORPORATE GOVERNANCE

As Chairman of the Board of Ridgecrest plc, it is my responsibility to ensure that Ridgecrest has both sound corporate governance and an effective Board.

Ridgecrest's Board has adopted the principles of the Quoted Companies Alliance Corporate Governance Code (the "QCA Code") in accordance with the London Stock Exchange's AIM Rules for Companies requiring all AIM quoted companies to adopt and comply or explain non-compliance with a recognised corporate governance code. The QCA Code identifies ten principles to be followed in order for companies to deliver growth in long term shareholder value, encompassing an efficient, effective and dynamic management framework accompanied by communication to promote confidence and trust. This report follows the structure of these guidelines and explains how the Board has applied the guidance, as well as disclosing any areas of non-compliance. The Board will provide annual updates on the Company's compliance with the QCA Code.

1. **Establish a strategy and business model which promotes long-term value for shareholders**

   The Board has concluded that the highest medium and long-term value can be delivered to its shareholders, following the asset and share sale of Nakama (the previous operating business) to Sanderson Plc and the placing to raise £2m, is as an AIM Rule 15 Cash Shell and by pursuing a reverse takeover pursuant to AIM Rule 14.

2. **Seek to understand and meet shareholder needs and expectations**

   The Board recognises the importance of communication with its stakeholders and is committed to establishing constructive relationships with investors and potential investors in order to assist it in developing an understanding of the views of its shareholders. Ridgecrest also maintains a dialogue with shareholders through formal meetings such as the AGM, which provides an opportunity to meet, listen and present to shareholders; and shareholders are encouraged to attend in order to express their views on the Company's business activities and performance.

3. **Take into account wider stakeholder and social responsibilities and their implications for long-term success**

   As part of any reverse takeover pursuant to AIM Rule 14 the Company will seek to identify its future stakeholders and applicable social responsibilities. The Board recognises that successful engagement with stakeholders and meeting social responsibilities is integral to the long-term success of an organisation.

4. **Embed effective risk management, considering both opportunities and threats, throughout the organisation**

   The Board recognises the need for an effective and well-defined risk management process and it oversees and regularly reviews the current risk management and internal control mechanisms.

   The Board regularly reviews the risks facing the Company and seeks to exploit, avoid or mitigate those risks as appropriate.

   The risk assessment matrix below sets out and categorises key risks and outlines the mitigating actions which are in place. This matrix is updated as changes arise in the nature of risks or the mitigating actions implemented, and the Board reviews these on a regular basis.

   Ridgecrest has identified the principal risks to the Company achieving its objectives as follows:

PRINCIPAL RISKS AND UNCERTAINTIES

Risk	Potential impact	Mitigation
The Group is an AIM Rule 15 Cash Shell and as such does not have a revenue stream.	The Company raised £2 million in January 2021 and these funds will have a finite lifetime, albeit the Company does not have any operating activities which require significant expenditure.	The Board maintains close oversight of funds spent and seeks to keep costs to the minimum level possible for a publicly quoted company.
The Company is actively pursuing a reverse takeover pursuant to AIM Rule 14.	Our business model now depends on our ability to find a suitable acquisition target under AIM Rule 14 and to complete that transaction and any associated fundraise. Trading in the Company's shares was suspended on 6 July 2021. If the Company does not complete a reverse takeover or become readmitted to trading on AIM as an investing company under the AIM Rules within six months of the suspension it is expected that trading in the Company's shares on AIM will be cancelled	The Company announced on 25 October 2021 that it had terminated negotiations on the proposed reverse takeover of Blue Air. The Board hopes to be able to make a further announcement regarding an alternative transaction in the near future.

5. **Maintain the Board as a well-functioning, balanced team led by the Chair**

   The Board comprises the Executive Chairman, Robert Thesiger and independent Non-Executive Directors James Normand and Phillip Holt.

   The Board meets regularly and meetings are open and constructive, with every Director participating fully. The Board aims to meet at least 6 times in the year.

   The Company does not currently have designated Audit and Remuneration Committees due to the size and nature of the Company and its Board as currently constituted and the Company's status as an AIM Rule 15 cash shell. Audit and Remuneration Committees will be established as part of a reverse takeover transaction.

6. **Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities**
   The Company believes that the current balance of skills in the Board as a whole reflects a very broad range of personal, commercial and professional skills, and notes the range of financial and managerial skills.

   The Company's nominated adviser assists with AIM matters and ensures that all Directors are aware of their responsibilities. The Company also engages the services of Blake Morgan, the Company's solicitors, as required.

   The Board is kept abreast of developments of governance and regulatory matters. The Company's nominated adviser provides updates regarding changes to the AIM Rules and guidance issued by AIM Regulation.

   The Directors have access to the Company's nominated adviser, company secretary, lawyers and auditors as and when required and are able to obtain advice from other external bodies when necessary. If required, the Directors are entitled to take independent legal advice and if the Board is informed in advance, the cost of the advice will be reimbursed by the Company.

7. **Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement**

   The Company has not undertaken a board performance evaluation during the year due to the pressing corporate matters which have been underway. The Company will look to initiate such evaluations following completion of a reverse takeover transaction pursuant to AIM Rule 14.

8. **Promote a corporate culture that is based on ethical values and behaviours**

   The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders, and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives.

9. **Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board**

   The Board is committed to, and ultimately responsible for, high standards of corporate governance. The Board reviews the Company's corporate governance arrangements regularly and expects these arrangements to evolve as part of a reverse takeover transaction.

   The Chairman's principal responsibilities are to ensure that the Company and its Board are acting in the best interests of shareholders. His leadership of the Board is undertaken in a manner which ensures that the Board retains integrity and effectiveness and includes creating the right Board dynamic and ensuring that all important matters, in particular strategic decisions, receive adequate time and attention at Board meetings. The Chairman is the key contact for shareholder liaison and all other stakeholders.

10. **Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

    The Board is committed to maintaining effective communication constructive dialogue with its shareholders. Contact details for the Company are provided on the Company's regulatory announcements and on its website. The Company's website includes investor relations information in accordance with AIM Rule 26. The Company includes details of shareholder voting outcomes from AGMs and GMs in regulatory announcements which are available on its website. If a resolution receives 20% or more votes against the Company will seek to understand the views of those shareholders voting against and take their views into account when proposing resolutions in future.

Robert Thesiger

Robert Thesiger
Chairman
29 October 2021

DIRECTORS' REMUNERATION REPORT

This report sets out the remuneration policies for the Group's executive directors. It should be read in conjunction with details of directors' remuneration in note 8 which forms part of the audited financial statements. The Company does not currently have a designated Remuneration Committee as discussed in the Corporate Governance due to the size and nature of the Company as an AIM Rule 15 cash shell.

Service contract of the executive director

Robert Thesiger has a service agreement terminable by the Company or him of not less than three months' notice.

Non-executive directors

Non-executive directors receive an annual fee in respect of their duties. The fees are reviewed annually and are set by the Board. Their contracts are terminable on both sides with three months' notice.

By order of the Board

Robert Thesiger

Robert Thesiger
Chairman
29 October 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RIDGECREST PLC

Opinion

We have audited the financial statements of Ridgecrest Plc (the 'parent company)' and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows, and Notes to the financial Statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2021 and of the group's loss for the year then ended;

- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;

- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RIDGECREST PLC

Key Audit Matter	How We Addressed the Key Audit Matter in the Audit
Revenue recognition Under ISA 240 there is always a presumed risk that revenue may be misstated due to the improper recognition of revenue. As detailed in notes 2 and 5, revenue is recognised when a placement commences for the permanent revenue or when the work is undertaken for contractor revenue as this is when the service is completed. Revenue is recognised on the confirmation of the start of the placement or based on the timesheets recorded and approved. We considered there to be significant risk over the existence and completeness of revenue, particularly in respect of cut-off, being the recognition of revenue in the correct period.	Our audit work included but was not restricted to: - Reviewing revenue recognition policies with management and comparing against underlying transactions - Reviewing and testing the internal control over revenue recognition. - Performing analytical review and cut off testing to third party supporting documentation. - Agreeing a sample of transactions throughout the year to third party supporting documentation; and - Reviewing provisions for credit notes and accrued income.
Management override of controls Under ISA 240 there is a presumption that the risk of management override of controls is always present.	Our audit work included, but was not restricted to: - Reviewing material estimates, judgements and decisions made by management; and - Performing journal testing on all material manual journals.

Our application of materiality

We apply the concept of materiality in planning and performing our audit, in evaluating the effect of any identified misstatements and in forming our opinion. For the purpose of determining whether the group financial statements are free from material misstatement, we define materiality as the magnitude of a misstatement or an omission from the financial statements or related disclosures that would make it probable that the judgement of a reasonable person, relying on the information would have been changed or influenced by the misstatement or omission. We also determine a level of performance materiality, which we used to determine the extent of testing needed, to reduce to an appropriately low level that the aggregate of uncorrected and undetected misstatements exceed materiality of the group financial statements as a whole.

Materiality for the group as a whole was set at £30,000 (2019: £139,000) which represents 1.5% of group revenue. Revenue has been used as it provides a consistent year on year basis for determining materiality due most relevant performance measure and 1.5% was applied based on prior years low incidence of errors.

Other profit and loss metrics that are used by management as KPIs were reviewed and gave further reassurance over the materiality level set.

Materiality of the parent company and significant components has been set on the same basis as the group materiality.

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF RIDGECREST PLC

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.
- Matters on which we are required to report by exception
- In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.
- We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF RIDGECREST PLC

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

Other matters we are required to address

We were appointed by the management to audit the financial statements for the period ending 31 March 2019 and subsequent financial periods. Our total uninterrupted period of engagement is 3 years, covering the periods ending 31 March 2019 to 31 March 2021.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Lawrence, FCA DChA (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor
Windsor House
Bayshill Road
Cheltenham
GL50 3AT
29 October 2021

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Continuing operations 2021 £'000	Discontinued operations 2021 £'000	Total 2021 £'000	Continuing operations 2020 £'000	Discontinued operations 2020 £'000	Total 2020 £'000
Revenue	4	**-**	**4,633**	**4,633**	-	9,719	9,719
Cost of sales		**-**	**(3,432)**	**(3,432)**	-	(6,805)	(6,805
Net fee income		**-**	**1,201**	**1,201**	-	2,914	2,914
Administrative costs		**(509)**	**(1,175)**	**(1,684)**	(572)	(2,442)	
Operating (loss)/profit	8	**(509)**	**26**	**(483)**	(572)	472	(100)
Other operating income (expense)							
Finance costs	5	**-**	**(5)**	**(5)**	-	(14)	(14)
Group gain on sale of subsidiaries	25	**-**	**437**	**437**	-	-	-
Other income	6	**-**	**88**	**88**	-	-	-
(Loss)/profit before tax		**(509)**	**546**	**37**	(572)	458	(114)
Tax expense	9	**-**	**(30)**	**(30)**	-	(8)	(8)
(Loss)/profit for the period attributable to owners of the		**(509)**	516	**7**	(572)	450	(122)
Earnings per share							
Basic and diluted (loss)/profit per share attributable to owners of the parent	10	**(0.22)p**	**0.22p**	**0.00p**	(0.49)p	0.38p	(0.10)p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	2021 £'000	2020 £'000
Profit / (loss) for the year	**7**	**(122)**
Exchange difference on translation of foreign operations	**(9)**	**7**
Total comprehensive loss for the period attributable to owners of the parent	**(2)**	**(115)**

The notes on pages 21 to 40 form a part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

Company number 1700310

	Note	2021 £'000	2020 £'000
Assets			
Non-current assets			
Property, plant and equipment	13	-	13
Deferred tax asset	18	-	18
Total		-	31
Current assets			
Trade and other receivables	14	47	1,497
Cash and cash equivalents		2,001	190
Total		2,048	1,687
Total assets		2,048	1,718
Current liabilities			
Trade and other payables	15	(74)	(830)
Borrowings	16	-	(801)
Total		(74)	(1,631)
Net Assets		1,974	87
Equity			
Share capital	24	1,936	1,602
Share premium account		4,097	2,580
Merger reserve		90	90
Employee share benefit trust reserve		(61)	(61)
Currency reserve		3	12
Retained earnings		(4,091)	(4,136)
Total equity attributable to the shareholders of the Company		1,974	87

The financial statements were approved and authorised for issue by the Board of Directors on 29 October 2021.

Robert Thesiger

Robert Thesiger
Chairman

The notes on pages 21 to 40 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH 2021

	Share capital £'000	Share premium £'000	Merger reserve £'000	Employee share benefit reserve £'000	Currency reserve £'000	Retained earnings £'000	Total equity £'000
At 1 April 2019	1,602	2,580	90	(61)	5	(4,014)	202
Loss for the year	-	-	-	-	-	(122)	(122)
Other comprehensive income	-	-	-	-	7	-	7
Total comprehensive income for the year	-	-	-	-	7	(122)	(115)
At 1 April 2020	1,602	2,580	90	(61)	12	(4,136)	87
Contributions to owners							
Issue of shares	334	1,517	-	-	-	-	1,851
Issue of share option	-	-	-	-	-	38	38
	334	1,517	-	-	-	38	1,889
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	7	7
Other comprehensive income	-	-	-	-	(9)		(9)
Total comprehensive income for the year	-	-	-	-	-	7	(2)
At 31 March 2021	1,936	4,097	90	(61)	3	(4,091)	1,974

The notes on pages 21 to 40 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

		Continuing Operations 2021 £'000	Discontinued Operations 2021 £'000	Total 2021 £'000	Continuing Operations 2020 £'000	Discontinued Operations 2020 £'000	Total 2020 £'000
Operating activities							
(Loss)/profit for the year before tax		**(509)**	**546**	**37**	(572)	458	(114)
Depreciation of property, plant and	13	**-**	**3**	**3**	-	8	8
(Profit)/loss on disposal of fixed assets		**-**	**(1)**	**(1)**	-	-	-
Group gain on sale of subsidiaries	25	**-**	**(437)**	**(437)**	-	-	-
Net finance costs	5	**-**	**5**	**5**	-	14	14
Tax credit/(paid)		**-**	**30**	**30**	-	(8)	(8)
(Increase) decrease in trade and other receivables		**(9)**	**1,459**	**1,450**	213	(111)	102
Increase (decrease) in trade and other payables		**1**	**(757)**	**(756)**	(44)	(277)	(321)
Net cash (used in) generated by operating activities		**(517)**	**848**	**331**	(403)	84	(319)
Cash flows from investing activities							
Proceeds from sale of (purchase of) property and equipment		**-**	**14**	**14**	-	(13)	(13)
Sold and liquidated subsidiaries		**700**	**(280)**	**420**	407	(407)	-
Net cash inflow (outflow) from investing activities		**700**	**(266)**	**434**	407	(420)	(13)
Financing activities							
Issue of shares		**1,851**	**-**	**1,851**	-	-	-
(Decrease) increase in invoice discounting		**-**	**(801)**	**(801)**	-	363	363
Finance cost paid		**-**	**(5)**	**(5)**	-	(14)	(14)
Net cash inflow (outflow) from financing activities		**1,851**	**(806)**	**1,045**	-	349	349
Net changes in cash and cash equivalent		**2,034**	**(224)**	**1,810**	4	13	17
Cash and cash equivalents, beginning of year		**7**	**183**	**190**	3	163	166
Effect of foreign exchange rate movements		**-**	**1**	**1**	-	7	7
Cash and cash equivalents at end of year		**2,041**	**(40)**	**2,001**	7	183	190
Cash and cash equivalents for the purpose of the statement of cash flows comprises:							
Cash at bank		**2,041**	**(40)**	**2,001**	**7**	**183**	**190**
Cash and cash equivalents at end of year		**2,041**	**(40)**	**2,001**	**7**	**183**	**190**

The notes on pages 21 to 40 form part of these financial statements.

FINANCIALS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Nature of operations and general information

At 31 March 2021 Ridgecrest plc (the "parent company") was an AIM Rule 15 cash shell company. Until January 2021, when the trading subsidiaries were sold, the business included Nakama; a global recruitment consultancy for the digital technology and interactive media industry and also Highams; a technology and business information recruitment consultancy for the insurance and investment management industry.

Ridgecrest plc changed its name from Nakama Group plc, a public limited company on 29 December 2020. It is registered in England and Wales with the company number 01700310. The address of Ridgecrest plc's registered office, which is also its principal place of business, is New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG. The details of the previous subsidiary undertakings are listed in note 5 to the Company financial statements.

The parent company's shares are listed on the London Stock Exchange's Alternative Investment Market (AIM). The Group consolidated full year financial statements are presented in British pounds (£), which is also the functional currency of the Company.

2. Accounting policies

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) UK adopted, and with those parts of the Companies Act 2006 applicable to companies preparing their accounts under IFRS.

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

The accounting policies that have been applied in the opening statement of financial position have also been applied throughout all periods presented in these financial statements.

The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.

Going concern

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future. The parent company had cash and cash equivalents of £2,001,000 and net current assets of £1,974,000 as at 31 March 2021.

The parent company is an AIM Rule 15 cash shell and as such is seeking a suitable target business to perform a reverse takeover (RTO). The Board believes that there is sufficient working capital to perform such a transaction.

Basis of consolidation

The Group financial statements consolidate those of the parent company and all of its subsidiary undertakings drawn up to 31 March 2021. Subsidiaries are entities controlled by the Group. The company controls a subsidiary if all three of the following elements are present: power over the subsidiary; exposure to variable returns from the subsidiary; and the ability of the investor to use its power to affect those variable returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All of the subsidiaries were sold during the year, therefore the consolidated results for the year include the results of the subsidiaries to 4 January 2021, the date of their disposal. At the year end the parent company was an AIM cash shell and the only the Company Statement of Financial Position is presented.

Business combinations

Business combinations of subsidiaries are dealt with by the purchase method. The purchase method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated statement of.

2. Accounting policies, continued

financial position at their fair values, which are also used as the basis for subsequent measurement in accordance with the Group accounting policies. Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Direct costs of acquisition are recognised immediately as an expense.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the parent company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. 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.

No deferred tax is recognised for the Company's losses being a cash shell company. It is not probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

No significant judgements and estimates have been made by management in preparing these financial statements.

Discontinued operations

A discontinued operation is a component of an entity that:

- has been disposed of, or is classified as held for sale;
- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Where there are discontinued operations in the period the parent company prepares the accounts on an ongoing basis and does not give historical information that is no longer relevant in respect of operating segments.

Revenue

Under IFRS 15, revenue is recognised when a customer obtains control of goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires judgement. IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised.

The Group performed an assessment to determine the impact of this standard on the consolidated statement of financial position and consolidated income statement. It considered the analysis prescribed by the standard, taking into account the different types of contracts it has with its customers (contract placements and permanent placements), the corresponding types of services provided to customers and when these service obligations are satisfied. In addition, the Group considered the types of fee income generated across all products from the contracts with its customers and when the fee income is recognised. The assessment concluded that IFRS 15 requirements would not result in the Group having to change the nature or timing of satisfaction of performance obligations and significant payment terms. Consequently, the cumulative impact of adoption was nil and as a result no adjustment has been recognised.

Revenue in respect of contract placements is recognised in the period in which the contractor undertakes the work. Revenue in respect of permanent placements is recognised in the period in which a candidate commences employment. Revenue is recognized at point in time.

A provision is made against any potential rebates that may become due on permanent placements, should the employee leave within a specified period of time. These provisions are reviewed annually. As there were no potential rebates at the end of the current year, no provision has been made.

Revenue is measured at the fair value of consideration received or receivable for services provided during the accounting period net of trade discounts and value added tax.

NOTES TO FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies, continued

Goodwill

Goodwill represents any excess of the cost of a business combination over the fair value of the identifiable assets and liabilities acquired for acquisitions after 31 March 2006, together with goodwill recognised on transition to IFRS on 1 April 2006.

Goodwill is tested annually for impairment and is carried at cost less accumulated impairment losses.

Other intangible assets

Computer software included at cost is amortised on a straight-line basis over its useful economic life of two years. Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques. Identified intangible assets comprise of customer relationships and a candidate database, which are amortised over a six and five-year period, respectively and recognised in administrative expenses.

Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of property, plant and equipment over their estimated useful lives at the following rates. The depreciation charge is recognised in administrative expenses.

- Leasehold improvements – over remaining period of lease on a straight-line basis
- Computer equipment – 50% per annum on a straight-line basis
- Furniture, fittings and office equipment – 25% per annum on a straight-line basis

Impairment testing of goodwill, other intangible assets and property, plant and equipment

Impairment tests on intangible assets with indefinite useful economic lives are undertaken annually on 31 March. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount the asset is written down immediately to its recoverable amount. Any impairment is recognised in administrative expenses.

Leased assets

Rentals under operating leases are charged to the income statement on a straight-line basis over the lease term. All of the Group's current leases are operating leases.

Taxation

Current tax is the tax currently payable based on taxable profit for the year. Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and the tax laws used to compute the amount are those that are enacted by the balance sheet date.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs to its tax base, except for differences arising on:

- the initial recognition of goodwill; and
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit.

Deferred tax assets are recognised in the statement of financial position only where it is probable that suitable taxable profit will be available against which the deductible temporary difference can be utilised.

Deferred taxation is measured at the tax rates that are expected to apply in the periods in which the asset is realised or the liability is settled, based on tax rates and laws that have been enacted or substantively enacted at the statement of financial position date.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies, continued

Foreign currencies

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which it operates (the "functional currency") are recorded at the rate of exchange at the time of the transaction. There were no monetary assets and liabilities denominated in foreign currencies at the statement of financial position date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in the income statement.

On consolidation the results of overseas operations are translated into sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at rates of exchange ruling on the statement of financial position date. Exchange differences arising from this policy are recognised directly in the currency reserve via other comprehensive income.

The Group has taken advantage of the exemption in IFRS 1 and has deemed cumulative translation differences for all foreign operations to be £ nil at the date of transition to IFRS. The gain or loss on disposal of these operations excludes translation differences that arose before the date of transition to IFRS and includes later translation differences.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. The company received grants in relation to the Coronavirus Job Retention Scheme (CJRS) which is accounted for as a revenue grant.

Pension costs

The Group operates a defined contribution pension scheme. The pension cost expensed to the income statement this year totalling £11,000 (2020: £30,000) represents contributions payable by the Group to the pension scheme in the period.

Financial assets

All of the Group's financial assets are categorised as loans and receivables.

The Group's financial assets comprise trade receivables, cash and cash equivalents. Trade and other receivables are measured initially at fair value and subsequently at amortised cost.

Financial liabilities

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. The Group's financial liabilities comprise trade payables and other payables. All financial liabilities are measured initially at fair value and subsequently at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and – for the purpose of the statement of cash flows – bank overdrafts. Bank overdrafts are shown within loans and borrowings in the current liabilities on the consolidated statement of financial position.

Employee share benefit trust

The cost of the Company's shares held by the employee share benefit trust is deducted from equity in the consolidated statement of financial position. Any gain or loss received by the employee share benefit trust on disposal of the shares it holds is also recognised directly in equity. Other assets and liabilities of the employee share benefit trust (including borrowings) are recognised as assets and liabilities of the Group. Any shares held by the employee share benefit trust are treated as cancelled for the purposes of calculating earnings per share.

Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each statement of financial position date so that, ultimately, the cumulative

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies, continued

Share based payments, continued

amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As the share price during the year had been substantially below the exercise price, no charge has been made to the income statement.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the income statement over the remaining vesting period.

Equity

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares.
- "Merger reserve" represents the difference between the value of shares and the nominal value in accordance with the requirements of Merger Relief under the Companies Act.
- "Employee share benefit trust reserve" represents the cost of the Company's shares held by the employee share benefit trust.
- "Currency reserve" represents the differences arising from translation of investments in overseas subsidiaries.
- "Retained earnings" represents retained profits less accumulated losses.

New standards, interpretations and amendments effective from 1 April 2020

The Group has initially adopted the following standards from 1 April 2020.

- Amendments to References to Conceptual Framework in IFRS Standards
- Definition of Material (Amendments to IAS 1 and IAS 8)
- Definition of a Business (Amendments to IFRS 3)
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

Amendments to IFRS 3 and IFRS 9 do not have a material effect on the Group's Financial statements and it was not necessary to apply any practical expedients on first time adoption.

Standards and interpretations to existing standards that are not yet effective and have not yet been adopted by the Group

The amendments and interpretations to published standards that have an effective date for accounting periods on or after 31 March 2021 or later periods have not been adopted early by the Group and assessment of the impact of these standards is currently under review.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	Effective 01/01/2022

The Group does not expect the above to have a material impact on the Group's financial statements.

3. Operating segments

Operating segments are reported on a geographical basis. Until 4 January 2021, the Group had two main reportable segments based on the location revenue is derived from:

- Asia Pacific – This segment includes Australia (discontinued), Hong Kong and Singapore.
- UK – The UK segment includes candidates placed in the UK and Europe.

These segments were monitored by the Board of Directors and were reported in a manner consistent with the internal reporting provided to them. All revenue was derived from the supply of recruitment and human resource services.

As reported in the Strategic Report, the operating subsidiaries were disposed of in January 2021 and the remaining parent company is an AIM Rule 15 shell company. The Board of Directors is considered to be the chief operating decision maker.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

3. Operating segments, continued

Factors that management used to identify the Group's reportable segments

The Group's reportable segments were strategic business units that, although supplying the same product offerings, operated in distinct markets and were therefore managed on a day to day basis by separate teams.

Measurement of operating segment profit or loss, assets and liabilities

The accounts policies of the operating segments were the same as those described in the summary of significant accounting policies.

The Group evaluated performance on the basis of profit or loss from operations before tax not including overhead costs incurred by the head office such as plc AIM related costs not recharged, exceptional items, amortisation and share based payments.

The Board does not review assets and liabilities by segment.

	Asia Pacific 2021 £'000	**UK 2021 £'000**	**Total 2021 £'000**
Revenue from external customers	654	3,985	4,639
Segment (loss) profit before interest and tax	(328)	10	(318)

	Asia Pacific 2020 £'000	**UK 2020 £'000**	**Total 2020 £'000**
Revenue from external customers	1,626	8,093	9,719
Segment (loss) profit before interest and tax	129	74	203

Reconciliation of reportable segment (loss) profit to the Group's corresponding amounts

Profit or loss after income tax expense	**2021 £'000**	2020 £'000
Total (loss) profit for reportable segments	**(318)**	203
PLC costs not cross charged and other income	**210**	(303)
Interest	**(5)**	(14)
Loss before tax	**(113)**	(114)
Corporation taxes	**(30)**	(8)
Loss after income tax expense	**(143)**	(122)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

4. Revenue

The Group made sales to Europe and Asia during the year. All trading operations have now been discontinued. All revenue is derived from the provision of services. An analysis of sales revenue by country is given below:

Revenue by country	**2021 £'000**	**2020 £'000**
United Kingdom	3,985	8,093
Hong Kong	604	1,351
Singapore	50	275
	4,639	9,719

Revenue by timing of recognition

The total revenue of £4,639,000 was recognized at point in time.

5. Finance costs

	2021 £'000	2020 £'00
Interest expense on invoice discounting facility	5	14
	5	14

6. Employees' remuneration

(a) Staff costs

Staff costs, including executive directors, during the year were as follows:

	2021 £'000	**2020 £'000**
Wages and salaries	1,024	1,616
Social security	74	137
Other pension costs	11	30
	1,109	1,783

(b) Staff numbers

The average number of persons employed during the year was as follows:

	2021 Number	**2020 Number**
Sales	-	26
Finance and administration	1	7
Management	2	4
	3	37

The Group received grants in relation to the Coronavirus Job Retention Scheme (CJRS) which is accounted as a revenue grant. £88,000 (2020 - £nil) was received from the government and released to the profit and loss account in relation to this grant.

The Company did not directly or indirectly benefit from any other forms of government grants.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

7.Directors' remuneration

Aggregate remuneration
The total amounts for Executive Directors' remuneration of the Group and other benefits were as follows:

	2021 £'000	2020 £'000
Emoluments	**121**	138
Money purchase pension contributions	**-**	-
	121	138

(a) Directors' remuneration

	Fees/basic salary 2021 £'000	**Other amounts/ benefits 2021 £'000**	**Total emoluments 2021 £'000**	**Employer's national insurance 2021 £'000**	**Total 2021 £'000**	Total 2020 £'000
Executive						
Andrea Williams (resigned 17.10.2019)	**-**	**-**	**-**	**-**	**-**	6
Patrick Meehan (resigned 17.10.2019)	**-**	**-**	**-**	**-**	**-**	-
Robert Thesiger (appointed 1.04.2019)	**77**	**-**	**77**	**9**	**86**	124
Non-executive						
Phillip Holt	**7**	**-**	**7**	**1**	**8**	-
James Normand	**7**	**-**	**7**	**1**	**8**	-
Michael Cleland	**17**	**-**	**17**	**2**	**19**	8
Aggregate emoluments	**108**	**-**	**108**	13	**121**	138

The highest paid director was Robert Thesiger (2020: Robert Thesiger).

All executive directors are employed under a service agreement which can be terminated at any time by either the director or the Company giving three months' prior notice. The services of Timothy Sheffield were secured by letters of appointment and these appointments can be terminated by the Company in general meeting at any time.

(b) Directors' pension entitlements
During the year there were no directors in the company pension scheme (2020: Nil).

(c) Directors' share options and interests

The Directors hold the following share options

Robert Thesiger
2,650,307 at 0.0165p
7,500,000 at 0.018p
10,150,307 at 0.0176p

Philip Holt
1,472,393 at 0.0165p
4,166,667 at 0.018p
5,639,060 at 0.0176p

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

7.Directors' remuneration, continued

James Normand
1,177,914 at 0.0165p
3,333,333 at 0.018p
4,511,247 at 0.0176p

The key management personnel of the Group consist exclusively of the directors named above.

8.Operating loss

The loss on ordinary activities before taxation is stated after charging:

The analysis of auditor's remuneration is as follows:

	2021 £'000	2020 £'000
Remuneration received by Company's auditor or an associate of the Company's auditor:		
Company annual accounts	**6**	6
Group annual accounts	**18**	11
	24	17
Other fees payable to the Company's auditors:		
Audit of subsidiary companies	**-**	10
Tax compliance	**2**	5
Other compliance	**-**	9
	26	41
Depreciation of equipment	**3**	8
Profit on disposal of fixed asset and exchange	**(1)**	-
Foreign exchange loss (gain)	**(14)**	15
Operating lease rentals - property:	**119**	266
Staff costs (Note 6)	**1,109**	1,783

9. Income tax expense

	2021 £'000	2020 £'000
Current tax charge	**30**	8
	30	8

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

9. Income tax expense, continued

The relationship between the expected tax expense based on the effective tax rate of the Group at 19% (2020: 19%) and the tax expense actually recognised in the consolidated income statement can be reconciled as follows:

	2021 £'000	2020 £'000
Result for the year before taxation	**37**	**(114)**
Expected tax expense	**7**	**(22)**
Income not deductible for tax purposes	**(74)**	**(115)**
Unrecognised deferred tax	**97**	**145**
Difference in tax rates between UK and overseas	**-**	**-**
Total income tax expense	**30**	**8**

Please refer to note 18 for information on the entity's deferred tax assets and liabilities.

10. Loss per share

	2021			2020		
	(Loss) £'000	**Weighted average number of shares '000**	**Earnings per share p**	(Loss) £'000	Weighted average number of shares '000	Earnings per share p
Basic profit (loss) per share	7	225,562	(0.00)	(122)	117,607	(0.10)
Diluted profit (loss) per share *	7	236,385		(122)	120,027	

The weighted average number of shares excludes 183,953 (2020: 183,953) shares held by the Employee Share Benefit Trust.

* No diluted earnings per share is shown since the effect would be anti-dilutive.

11. Intangible assets

The amounts recognised in the statement of financial position relate to the following:

	Software £'000	**Goodwill £'000**	**Customer Relationship £'000**	**Database £'000**	**Total £'000**
Cost:					
At 1 April 2020	167	487	647	227	**1,528**
Disposal	(167)	(487)	(647)	(227)	**(1,528)**
At 31 March 2021	-	-	-	-	**-**
Amortisation/impairment:					
At 1 April 2020	167	487	647	227	**1,528**
Disposal	(167)	(487)	(647)	(227)	**(1,528)**
At 31 March 2021	-	-	-	-	**-**
Net book amount:					
At 31 March 2021	-	-	-	-	**-**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

11. Intangible assets, continued

	Software £'000	Goodwill £'000	Customer Relationship £'000	Database £'000	Total £'000
Cost:					
At 1 April 2019	167	487	647	227	**1,528**
At 31 March 2020	167	487	647	227	**1,528**
Amortisation/impairment:					
At 1 April 2019	167	487	647	227	**1,528**
Impairment charge for year	-	-	-	-	**-**
Amortisation charge for year	-	-	-	-	**-**
At 31 March 2020	167	487	647	227	**1,528**
Net book amount:					
At 31 March 2020	-	-	-	-	**-**
At 31 March 2019					

12. Goodwill

The Goodwill arose on the acquisition of Nakama Group in October 2011. The business formed part of the Group with effect from the date of acquisition of Nakama offices in London, Australia and Hong Kong.

The carrying amount of goodwill was allocated to the cash generating units (CGU's) as follows:

	Nakama London £'000	Nakama Hong Kong £'000	Nakama Sydney £'000	Nakama Melboune £'000	Total £'000
Cost:	255	28	168	36	487
At 1 April 2020					
Disposal	(255)	(28)	(168)	(36)	(487)
At 31 March 2021	-	-	-	-	-
Impairment:					
As at 1 April 2020	255	28	168	36	487
Disposal	(255)	(28)	(168)	(36)	(487)
As at 31 March 2021	-	-	-	-	-
Net book amount:					
As at 31 March 2021	-	-	-	-	-
As at 31 March 2020	-	-	-	-	-

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. Impairment tests were undertaken annually on 31 March using value in use calculations for each CGU. The value in use calculations were based on cash flow projections from formally approved budgets covering a 12 month period and an extrapolation from that budget covering a further 4 years plus a terminal value. The key assumptions within the calculations were considered to be revenue growth and the discount rate.

Following the impairment review for the year ended 31 March 2018 goodwill was written off. The businesses have now been sold and hence the goodwill is no longer recognised.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

13. Property, plant and equipment

	Improvements to property £'000	Computer Equipment £'000	Furniture, fittings and office equipment £'000	Total £'000
Cost:				
At 1 April 2020	91	159	48	**298**
Additions	-	3	-	**3**
Disposals	(91) -	(162)	(48)	**(301)**
At 31 March 2021	-	-	-	**-**
Depreciation:				
At 1 April 2020	91	147	47	**285**
Charge for the year	-	3		**3**
Disposals	(91)	(150)	(47)	**(288)**
At 31 March 2021	-	-	-	**-**
Net book value 31 March 2021	**-**	**-**	**-**	**-**

	Improvements to property £'000	Computer Equipment £'000	Furniture, fittings and office equipment £'000	Total £'000
Cost:				
At 1 April 2019	91	146	48	**285**
Additions	-	13	-	**13**
Disposals	-	-	-	**-**
At 31 March 2020	91	159	48	**298**
Depreciation:				
At 1 April 2019	91	143	43	**277**
Charge for the year	-	4	4	**8**
Disposals	-	-	-	**-**
At 31 March 2020	91	147	47	**285**
Net book value 31 March 2020	**-**	**12**	**1**	**13**
Net book value 31 March 2019	**-**	**3**	**5**	**8**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

14. Trade and other receivables

	2021 £'000	2020 £'000
Trade receivables	**134**	1,398
Prepayments and accrued income	**7**	99
	141	1,497

All amounts are payable within one year. The carrying values are considered to be a reasonable approximation of fair value. The contractual maturity trade payable dates are as follow:

	2021 £'000	2020 £'000
0 to 30 days	**38**	281
31 to 60 days	**-**	9
61 to 120 days	**-**	21
	38	311

15. Trade and other payables

	2021 £'000	2020 £'000
Trade payables	**-**	311
Other taxes and social security costs	**1**	304
Other creditors	**-**	14
Accruals and deferred income	**37**	201
	38	830

All amounts are payable within one year. The carrying values are considered to be a reasonable approximation of fair value. The trade payable dates are as follows:

	2021 £'000	2020 £'000
0 to 30 days	**38**	281
31 to 60 days	**-**	9
61 to 120 days	**-**	21
	38	311

16. Borrowings

	2021 £'000	2020 £'000
Current liabilities		
Invoice discounting	**-**	801

The Group's confidential invoice discounting facilities of £2,500,000 were terminated in January 2021 (2020: £2,500,000).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

17.Commitments

The total future value of minimum lease payments is due as follows:

Land and buildings	**2021**		2020	
Not later than one year	-	-	137	1
Later than 1 year and not later than 5	-	-	31	-
years Later than 5 years	-	-	-	-
	-	-	168	1

Lease payments recognised as an expense during the year amount to £119,000 (2020: £266,000). No sublease income was expected as all assets held under lease agreements were used exclusively by the Group. All leases relate to offices and office equipment.

Operating lease agreements do not contain any contingent rent clauses. None of the operating lease agreements contain renewal or purchase options or escalation clauses or any restrictions regarding further leasing.

As at 31 March 2021, there were no outstanding lease commitments.

18. Deferred tax

Deferred tax recognised in the financial statements is set out below

	2021 **£'000**	2020 £'000
Movement on deferred taxation balance in the period		
As at 1 April 2020	18	18
(Charge)/credit to profit and loss	(18)	-
As at 31 March 2021	-	18

	2021 **£'000**	2020 £'000
Available trading	-	-
losses Accelerated	-	18
Deferred tax asset	-	18

In accordance with IAS 12 "Income Taxes", the deferred tax asset has been recognised to the extent that trade losses will be recoverable against profits in the foreseeable future. The deferred tax asset brought forward from the previous year in relation to the trading losses in Highams Recruitment Limited only was fully utilised in the current year. The temporary differences for which the deferred tax asset has not been provided in the financial statements are set out below:

	2021 **£'000**	2020 £'000
UK losses	509	692
Accelerated capital allowances	-	69
	509	761

No deferred tax is recognised for the Company's losses being a cash shell company. It is not probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

19. Related party transactions and controlling related party
There were no related party transactions in the year.

20. Financial risk management objectives and policies

Financial instruments
The Group uses various financial instruments; these include cash and cash equivalents, and various items such as trade receivables, trade payables that arise directly from its operations and an invoice discounting arrangement. The main purpose of these financial instruments is to raise finance for the parent company's operations.

The potential main risks arising from the parent company's financial instruments are interest rate risk, liquidity risk, credit risk and currency risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk
Cash deposits are non-interest bearing unless placed on money markets at overnight rates. The Group therefore has no exposure to changes in interest rates and no sensitivity analysis is required.

Liquidity risk
The Group manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands including on a day-to-day and week-to-week basis, as well as on a monthly basis. As at 31 March 2021 all of the parent company's financial liabilities are contractually due within six months of the statement of financial position date. The Group's liquidity needs are assessed periodically.

Capital management policies and procedures
The Group's capital management objectives are:
- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders by pricing its offerings commensurately with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position. Capital for the reporting years under review is summarised on the next page.

The Group sets the amount of capital in proportion to its overall financing structure and manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Capital	**2021 £'000**	**2020 £'000**
Total equity	1,974	87
Overall financing		
Total equity	1,974	87
Plus net borrowings	-	801
	1,974	888
Capital-to-overall financing ratio	100%	10%

Borrowings previously comprised invoice financing borrowings. At the year-end there were no borrowings in place.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

21. Financial risk management objectives and policies, continued

Credit risk

The Group's principal financial assets are cash deposits and trade receivables. Risks associated with cash deposits are low as they are held at banks with high credit ratings assigned by international credit rating agencies.

The principal credit risk lies with trade receivables. In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. The Group has historically not suffered from significant bad debt problems.

Currency risk

Previously the Group traded within international markets. These transactions were generally priced and invoiced in Hong Kong Dollar and Singapore Dollars. At the year end the parent company had disposed of its trading subsidiaries and was an AIM Rule 15 cash shell. All assets and liabilities were denominated in sterling and hence there was no exposure to currency risk.

Summary of financial assets and liabilities by category

The carrying amounts of the Group's financial assets and liabilities as recognised at the statement of financial position date of the years under review may also be categorised as follows:

Statement of financial position headings	**Cash, loans and receivables £'000**	**Non-financial assets £'000**	**Financial liabilities at amortised cost £'000**	**Non-financial liabilities £'000**	**Total 2021 £'000**
Trade receivables	40	-	-	-	**40**
Cash at bank	2,001	-	-	-	**2,001**
Prepayments	-	7	-	-	**7**
Other taxes and social security costs	-	-	-	(1)	**(1)**
Accruals	-	-	(73)	-	**(73)**
Total	2,041	7	(73)	(1)	**1,974**

21. Financial risk management objectives and policies, continued

Statement of financial position headings	Cash, loans and receivables £'000	Non-financial assets £'000	Financial liabilities at amortised cost £'000	Non-financial liabilities £'000	Total 2020 £'000
Trade receivables	1,398	-	-	-	**1,398**
Cash at bank	190	-	-	-	**190**
Prepayments	-	99	-	-	**99**
Trade payables	-	-	(311)	-	**(311)**
Other taxes and social security costs	-	-	-	(304)	**(304)**
Accruals	-	-	(214)	-	**(214)**
Borrowings	-	-	(801)	-	**(801)**
Total	1,588	99	(1,326)	(304)	**57**

The fair values of the financial assets and liabilities at 31 March 2021 and 31 March 2020 are not materially different from their book values.

22. Employee share schemes

(a) EMI option scheme

The EMI option scheme has been terminated.

(b) Employee Share Benefit Trust

An Employee Share Benefit Trust was established in November 1995 and its Trustees have the power to grant options to eligible employees over shares in the Company at the Trust's expense, and the Company's discretion, upon such terms as they think fit and to purchase such shares to be acquired by the eligible employees.

The Company did not make any contributions to the Trust during the year (2020: £nil). The Trust holds 183,953 shares in the Company, with a market value of £2,723 (2020: 183,953 shares at a market value of £1,647). These shares were purchased at a cost of £61,000.

No shares have been transferred to employees or were under option as at 31 March 2021. The Trust's only other asset at 31 March 2021 was cash at bank of £2,111 (2020: £2,111) which is included in the Group's statement of financial position as part of cash and cash equivalents. The Trust had no liabilities.

All other options granted in prior years have lapsed and no other types of options were granted in the year.

(c) Share based options

The establishment of the Share Option Plan was approved by shareholders in 2008. The share option is designed to provide long-term incentives for key management personnel (including directors) to deliver long-term shareholder returns. Under the plan, participants are granted options which only vest if certain performance standards are met. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. The amount of options that will vest depends on the parent company's total return to shareholders (TSR), including share price growth, dividends and capital returns, ranking within a peer group of 20 selected companies that are listed on the London Stock Exchange over a three year period. Once vested, the options remain exercisable for a period of two years. Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share fourteen days after the release of the half-yearly and annual

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

(d) Share based options, continued

financial results of the group to the market. The exercise price of options is based on the weighted average price at which the company's shares are traded on the London Stock Exchange during the week up to and including the date of the grant.

The directors are committed to pursuing acquisition opportunities with a view to conducting a reverse takeover. They believe that successfully executing a reverse takeover will deliver value for their shareholders. As a cash shell company, they are mindful of managing cash and costs carefully. To that end, they consider that these Share Options are an appropriate way to incentivise the directors and to align their interests with shareholders.

Set out below are summaries of share options:

	Average exercise price per share option (pence) 2021	Number of options (thousands) 2021	Average exercise price per share option (pence) 2020	Number of options (thousands) 2020
As at 31 March 2020	0.023	1,345	0.023	1,345
Granted during the year	0.017	20,301	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	-
As at 31 March 2021	0.193	21,646	0.023	1,345

The new share options were granted on 22 January 2021 (5,301,000 shares) and 24 February 2021 (15,000,000 shares). The options granted represent 4.5 per cent of the Company's current issued share capital.

The fair value of the share options at grant date is equivalent to the London Stock Exchange mid-market closing price of an ordinary share at the grant date. This is also the determined exercise price. The options are exercisable from the date falling 12 months from the date of grant. The average contractual life of the options is ten years.

The amount charged to profit and loss in 2021 is £35,746.

23. Contingent liability

The previous dispute for the repayment of intercompany balances with Nakama Sydney has been settled and there were no contingent liabilities at 31 March 2021.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

24. Share capital

	At 31 March 2021 £ '000	At 31 March 2020 £ '000
Authorised		
5,603,514,584 Ordinary 0.01p	**560**	560
shares 31,875,568 Deferred 4.99p	**1,590**	1,590
	2,150	2,150

	At 31 March 2021 £ '000	At 31 March 2020 £ '000
Allotted, called up and fully paid		
451,124,778 Ordinary 0.01p shares	**346**	12
31,875,568 Deferred at 4.99p shares	**1,590**	1,590
	1,936	1,602

The Deferred shares do not carry any voting rights and do not entitle the holders to receive any dividend or other distribution.

	2021 Number	2020 Number
Movement in Ordinary shares		
Total number of shares in issue at 01 April 2020	**117,791,441**	117,791,441
Shares issued during year	**333,333,337**	-
Total number of shares in issue at 31 March 2021	**451,124,778**	117,791,441
Deferred shares		
Deferred shares of 4.99p	**31,875,568**	31,875,568

21. Notes Supporting the Statement of Cash Flow

	2021 £'000	2020 £'000
Net Debt at 31 Mar 2020 /2019	**(173)**	**438**
Cash Flow	**2,174**	**(611)**
Net Debt at 31 Mar 2021 / 2020	**2,001**	**(173)**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

25. Discontinued Operations

The carrying amounts of assets and liabilities as at the date of sale (4 January 2021) were:

	2021
	£'000
Consideration received	**390**
Assets	**1,351**
Liabilities	**(1,398)**
Net assets	**(47)**
Group gain on sale of subsidiaries	**437**

26. Post Balance Sheet Event

Updates regarding a proposed reverse takeover transaction have been included in the Chairman's statement of this annual report.

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Note	2021 £'000	2020 £'000
Fixed assets			
Tangible assets	4	-	-
Investments	5	-	182
		-	182
Current assets			
Debtors: amount due within one year	6	47	38
Cash at bank and in hand		2,001	7
		2,048	45
Creditors: amount falling due within one year	7	(74)	(73)
Net current assets/(liabilities)		1,974	(28)
Total assets less current liabilities being net assets		1,974	154
Capital and reserves			
Called up share capital	9	1,936	1,602
Share premium account		4,097	2,580
Merger reserve		297	297
Employee share benefit trust reserve		(61)	(61)
Profit and loss account		(4,295)	(4,264)
Shareholders' funds		1,974	154

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements and instead is reporting under FRS 101. The parent company's loss for the financial year was £69,000 (2019: loss of £165,000).

The financial statements were approved by the Board of Directors and authorised for issue on 29 October 2021.

Robert Thesiger

Robert Thesiger
Chairman

The notes on pages 43 to 48 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH 2021

	Share capital £'000	Share premium £'000	Merger reserve £'000	Employee share benefit reserve £'000	Retained earnings £ '000	Total equity £'000
At 1 April 2019	1,602	2,580	297	(61)	**(4,099)**	**319**
Loss for the year and total comprehensive income for the year	-	-	-	-	(165)	(165)
At 1 April 2020	1,602	2,580	297	(61)	**(4,264)**	**154**
Contributions by owners						
Issue of shares	334	1,517	-	-	-	1,851
Issue of share option	-	-	-	-	38	38
	334	1,517	-	-	38	1,889
Loss for the year and total comprehensive income for the year	-	-	-	-	(69)	(69)
At 31 March 2021	**1,936**	**4,097**	**297**	**(61)**	**(4,295)**	**1,974**

The notes on pages 43 to 48 form part of these financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

Basis of preparation
The parent company Financial statements are prepared under the historical cost convention. The particular accounting policies adopted are described below.

Going-concern
As previously announced, the sale of the Group's trading businesses to Sanderson Group completed in January 2021 and the Company is now an AIM Rule 15 cash shell. As such, the Company will either be required to make an acquisition or acquisitions constituting a reverse takeover under AIM Rule 14 on or before the date falling six months from the date of becoming a cash shell or be re-admitted to trading on AIM as an investing company under the AIM rules (which requires the raised of at least £6m million) failing which, the Ordinary Shares, would then be suspended from trading on AIM pursuant to AIM Rule 40. Admission to trading on AIM would be cancelled six months from the date of any suspension should the suspension not have been lifted beforehand.

Application of FRS 100 and 101
The Financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

Disclosure exemptions adopted
In preparing these Financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101, therefore these Financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with wholly owned members of Ridgecrest Plc group of companies.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the Company's consolidated Financial statements. These Financial statements do not include certain disclosures in respect of:

- share based payments;
- financial instruments; and
- fair value measurement other than certain disclosures required as a result of recording financial instruments at fair value.

Tangible fixed assets
All tangible fixed assets were sold during the year.

Investments
All investments were sold in the year.

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

1. Accounting policies, continued

Current taxation
Current taxation represents corporation tax payable on the taxable profits for the year or prior periods and is calculated using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred taxation
Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit; and
- investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Share based payments
Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the profit and loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each statement of financial position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the profit and loss over the remaining vesting period.

Foreign currencies
Transactions in foreign currencies are recorded at the rate of exchange at the time of the transaction. There were no monetary assets and liabilities denominated in foreign currencies at the statement of financial position date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss.

Financial guarantee contracts
Where the Company enters into financial guarantee contracts and guarantees the indebtedness of other companies within the Group, the Company considers these to be insurance arrangements and accounts for them as such. At the year- end there were no liabilities in this regard.

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

1. Accounting policies, continued

Critical accounting judgements and estimates
In preparing the Financial statements it is necessary for the Directors to make estimates and judgements about the future. At the year end the Company was a AIM rule 15 cash shell with the majority of its assets represented by cash held at bank.

2. Directors' remuneration
Directors' remuneration has been disclosed in note 7 of the Group consolidated Financial statements.

(a) Staff costs
Staff costs, including executive directors, during the year were as follows:

	2021 £'000	2020 £'000
Wages and salaries	**208**	216
Social security	**13**	23
Other pension costs	**-**	2
	221	241

(b) Staff numbers
The average number of persons employed during the year was as follows:

	2021 Number	2020 Number
Management	3	3

3. Auditors' remuneration
Auditors' remuneration attributable to the Company is as follows:

	2021 £'000	2020 £'000
Audit fees – statutory audit	6	5

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

4. Tangible fixed assets

	Improvements to properties £'000	Computer Equipment £'000	Total £'000
Cost:			
At 1 April 2020	80	21	**101**
Additions	-	-	**-**
Disposals	(80)	(21)	**(101)**
At 31 March 2021	-	-	**-**
Depreciation:			
At 1 April 2019	80	21	**101**
Charge for the year	-	-	**-**
Disposals	(80)	(21)	**(101)**
At 31 March 2021	-	-	**-**
Net book value 31 March 2021	**-**	**-**	**-**
Net book value 31 March 2020	**-**	**-**	**-**

5. Investments

The amount recognised in the Company's statement of financial position in the previous year relates to the following:

	2021 £'000	2020 £'000
Investment in subsidiary undertakings	-	182

The value related to the acquisition of Nakama Limited on 14 October 2011. All of the trading subsidiaries were sold during the year.

Subsidiaries	Principal activity	Registered office
Highams Recruitment Limited*	Recruitment	Bourne House 475 Godstone Road Whyteleafe CR3 0BL
Highams Recruitment BV**,*	Dormant	's-Gravenhage (Den Haag, The Hague), 2501 CK
Highams New York Inc**	Dormant	175 Varick Street, New York, NY 10014
Highams Holding BV**,*	Holding company	's-Gravenhage (Den Haag, The Hague), 2501 CK, Netherlands
Highams Share Scheme Trustee Limited*	Trustee of Employee Benefit Trust	Bourne House 475 Godstone Road Whyteleafe CR3 0BL
Nakama Limited*	Recruitment	Bourne House 475 Godstone Road Whyteleafe CR3 0BL
Nakama Hong Kong**	Recruitment	3801, 118 Connaught Street West, Sai Ying Pun, Hong Kong
Nakama Singapore pte**,*	Recruitment	8 Cross Street #18-01 Manulife Tower Singapore 048424

All subsidiaries marked with ** are incorporated outside the UK.
All subsidiaries marked with * are wholly owned by the Company, all others are indirectly wholly owned.
All shares in subsidiary undertakings are ordinary shares and the percentage owned is 100% either directly or indirectly.

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2021

Discontinued operations

On 4 January 2021, the company sold its trading subsidiaries and so their results are reported in the current period as discontinued operations. Financial operations relating to discontinued operations are disclosed separately in the consolidated income statements and consolidated statement of cash flows.

	2021 £'000	2020 £'000
Fair value of consideration received		-
Cash	**390**	-
Carrying amount of net assets sold	**182**	-
Parent company gain on sale of subsidiaries	**208**	-

6. Debtors

	2021 £'000	2020 £'000
Prepayment and accrued income	7	7
Other debtors	40	31
	47	38

7. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade payables	-	41
Social security and other taxes	1	5
Accruals and deferred income	73	27
	74	73

8. Commitments

The Company has no commitments at the year end.

9. Share capital

For details of the share capital, refer to note 24 of the Group consolidated Financial statements.

10. Contingent liabilities

The Company has no contingent liabilities at the year end. At 31 March 2020 the Company was subject to cross guarantees and debentures in relation to the invoice discounting facility, amounting to £801,000 that resides in the subsidiaries' financial statements.

The previous dispute for the repayment of intercompany balances with Nakama Sydney has been settled and there were no contingent liabilities at 31 March 2021.

11. Post Balance Sheet Event

Updates regarding a proposed reverse takeover transaction have been included in the Chairman's statement of this annual report.

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