

International Resources Group Limited

Report and Financial Statements

Year Ended

30 April 2016

Company Number 03478039

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International Resources Group Limited

Report and financial statements
for the year ended 30 April 2016

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Directors

Baroness Bottomley of Nettlestone
Peter Hearn
Simon Murphy
David Peters
Christopher Scrope

Secretary

David Peters

Registered office

20 Cannon Street, London, EC4M 6XD

Company number

03478039

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

International Resources Group Limited

Strategic report for the year ended 30 April 2016

The directors present their strategic report together with the audited financial statements for the year ended 30 April 2016.

Principal activities, trading review and future developments

The principal activity of the Company is that of an intermediate parent company with investments in IRG Advisors LLP and overseas subsidiaries as set out below. These investments continue to operate in the area of executive recruitment and interim management.

The Company holds investments in operating entities in Australia, China, Hong Kong, India, Japan, Singapore, Switzerland, the United States and Vietnam.

The results of all the operating subsidiaries, where appropriate, are consolidated into the Odgers Intermediate Limited (formerly Odgers (Group) Limited) accounts.

Profit after tax for the year was £9.3m compared to £3.8m for the year ended 30 April 2015. This profit arises out of the interest that the Company has in its subsidiaries as well as performance in IRG Advisors LLP.

Key Performance Indicators

The main key performance indicator is the profit derived from the company. These profits underpin the carrying value of the investments that the Company has in its subsidiaries.

At 30 April 2016, the Company's investments had a carrying value of £8.6m (2015 - £8.6m). The director's assessment of the recoverability of the Company's investments, based on its subsidiaries financial position, their performance during the financial year and current projected performance, led to a provision against amounts due from Vietnam of £0.6m.

Principal Risks and Uncertainties

The main financial risks arising from the Company's activities relate to the performance in the operating subsidiaries which are reported in each of those individual entities accounts.

As an intermediate parent company, the principal risk that the Company faces is that of the carrying value of its investments in subsidiaries is not fully realisable.

The directors regularly monitor the carrying value of the Company's investments against the position and performance of its subsidiaries to ascertain whether there are any indicators for potential impairments. Where appropriate, impairment charges are applied in accordance with good practice.

Approval

This strategic report was approved by order of the Board on

David Peters

Secretary

August 18, 2016

International Resources Group Limited

Report of the directors for the year ended 30 April 2016

The directors present their report together with the audited financial statements for the year ended 30 April 2016.

Results and dividends

The profit and loss account is set out on page 6 and shows the profit for the year.

The directors paid a dividend of £3.6m during the year (2015 - £3.5m).

Directors

The directors of the Company during the year were:

Richard Boggis-Rolfe (Resigned 29 March 2016)
Baroness Bottomley of Nettlestone
Peter Hearn (Non-Executive)
Simon Murphy (Non-Executive)
David Peters
Christopher Scrope

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit of the Company for that period.

In preparing these financial statements, the directors are required to:

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

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

International Resources Group Limited

Report of the directors for the year ended 30 April 2016 (*continued*)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

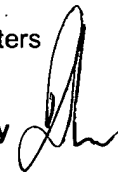
BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board

David Peters

Secretary

Date



18th August, 2016

International Resources Group Limited

Independent auditor's report

TO THE MEMBERS OF INTERNATIONAL RESOURCES GROUP LIMITED

We have audited the financial statements of International Resources Group Limited for the year ended 30 April 2016 which comprise the statement of comprehensive income and retained earnings, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

International Resources Group Limited

Independent auditor's report (*continued*)

Matters on which we are required to report by exception

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

BDO LLP

*Sophia Michael (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

Date **18/8/16**

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

International Resources Group Limited

Statement of comprehensive income and retained earnings for the year ended 30 April 2016

	Note	2016 £'000	2015 £'000
Turnover	3	2,942	2,219
Cost of sales		-	-
Gross profit		2,942	2,219
Administrative expenses		(3,517)	(3,806)
Operating loss	6	(575)	(1,587)
Other income		11,687	7,375
Other interest receivable and similar income	7	176	172
Profit on ordinary activities before taxation		11,288	5,960
Taxation on profit from ordinary activities	8	(2,020)	(2,212)
Profit for the financial year and total comprehensive income		9,268	3,748
Retained earnings at the beginning of the reporting period		12,116	11,868
Dividends		(3,622)	(3,500)
Retained earnings at the end of the reporting period		17,762	12,116

All amounts relate to continuing activities.

All recognised gains or losses in either year are included in the profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.

International Resources Group Limited

Balance sheet at 30 April 2016

<i>Company number 03478039</i>	Note	2016 £'000	2016 £'000	2015 £'000	2015 £'000
Fixed assets					
Tangible assets	10		184		335
Intangible assets	11		83		91
Investments	12		8,598		8,598
			<hr/>		<hr/>
			8,865		9,024
Current assets					
Debtors	13	29,241		17,764	
Cash at bank and in hand		461		127	
		<hr/>		<hr/>	
		29,702		17,891	
Creditors: amounts falling due within one year	14	(18,745)		(12,751)	
		<hr/>		<hr/>	
Net current assets			10,957		5,140
			<hr/>		<hr/>
Total assets less current liabilities			19,822		14,164
			<hr/>		<hr/>
Provision for liabilities	15		(438)		(426)
			<hr/>		<hr/>
Net assets			19,384		13,738
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	16		26		26
Share premium account			1,596		1,596
Profit and loss account			17,762		12,116
			<hr/>		<hr/>
Shareholders' funds			19,384		13,738
			<hr/>		<hr/>

The financial statements were approved by the Board of Directors and authorised for issue on 18 August 2016.



Christopher Scrope
Director

The notes on pages 8 to 16 form part of these financial statements.

International Resources Group Limited

Notes forming part of the financial statements for the year ended 30 April 2016

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

International Resources Group Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the group's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

These financial statements are the first financial statements prepared under FRS 102 and information on the impact of first-time adoption of FRS 102 is given in note 20.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

Qualifying entity

International Resources Group Limited is considered a qualifying entity due to its inclusion in Odgers Intermediate Limited's consolidated group accounts. As such, the following disclosure exemptions have been taken:

Company disclosure exemptions

In preparing the separate financial statements of the company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the company;
- Disclosures in respect of the company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

Turnover

Turnover represents amounts receivable for services provided, net of value added tax.

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for impairment.

Impairment of fixed assets

The need for any fixed asset impairment write-down is assessed by comparison of the carrying value of the asset against the higher of realisable value and value in use.

International Resources Group Limited

Notes forming part of the financial statements for the year ended 30 April 2016 (*continued*)

1 Accounting policies (*continued*)

Foreign currency

Foreign currency transactions are translated into the group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Fixed assets

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Leasehold	-	20.0% per annum straight line
Trademarks	-	6.6% per annum straight line

Trade debtors

Trade debtors do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less.

Other income

Other income comprises the company's share of profits from its investment in IRG Advisors LLP

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations rather than the financial instrument's legal form. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Trade creditors

Trade payables are not interest bearing and are stated at their nominal value.

Pensions

There were no Company contributions to pension schemes in either the current or the prior period.

The Company operated, prior to the transfer of its business to IRG Advisors LLP in 2010 when the obligation passed to that entity, a Stakeholder Pension Scheme. The assets of that scheme are managed independently of the Company.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

International Resources Group Limited

Notes forming part of the financial statements for the year ended 30 April 2016 (*continued*)

1 Accounting policies (*continued*)

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Operating leases

The group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard (1 May 2014) to continue to be charged over the shorter period to the first market rent review rather than the term of lease.

For leases entered into on or after 1 May 2014, reverse premiums and similar incentives received to enter into operating lease agreements are released to profit or loss over the term of the lease.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

- *Tangible fixed assets (see note 10)*

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- *Dilapidations*

Provisions for dilapidations are based on management's estimations taking into account the terms of the leases, the rental value of the property and any other market information available.

International Resources Group Limited

Notes forming part of the financial statements
for the year ended 30 April 2016 (*continued*)

3 Turnover

	2016 £'000	2015 £'000
<i>Analysis by geographical market</i>		
United Kingdom	2,303	2,014
Rest of the World	639	205
	<u>2,942</u>	<u>2,219</u>

4 Employees

There are no staff costs in either the current or prior periods.

There were no employees in either the current or prior periods.

5 Directors

Directors remuneration was borne by the parent company, Odgers Intermediate Limited (formerly Odgers (Group) Limited).

6 Operating loss

	2016 £'000	2015 £'000
This has been arrived at after charging:		
Depreciation	151	150
Amortisation - intangibles	9	9
Loss on foreign exchange	(172)	(54)
	<u></u>	<u></u>

The auditor's remuneration is borne by Odgers Intermediate Limited (formerly Odgers (Group) Limited).

7 Interest receivable and similar charges

	2016 £'000	2015 £'000
Loan interest receivable	176	172
	<u></u>	<u></u>

International Resources Group Limited

Notes forming part of the financial statements
for the year ended 30 April 2016 (*continued*)

8 Taxation on profit from ordinary activities

	2016 £'000	2016 £'000	2015 £'000	2015 £'000
<i>Current tax</i>				
UK corporation tax on profits of the period	1,735		1,943	
Adjustment in respect of previous periods	275		255	
Total current tax		2,010		2,198
<i>Deferred tax</i>				
Origination and reversal of timing differences	10		(4)	
Adjustment in respect of prior years	-		18	
Movement in deferred tax		10		14
Taxation on profit on ordinary activities		2,020		2,212

The tax assessed for the period differs to the standard rate of corporation tax in the UK. The differences are explained below:

	2016 £'000	2015 £'000
Profit on ordinary activities before tax	11,288	5,960
Profit on ordinary activities at the standard rate of corporation tax in the UK of . % (2015 - 20.92%)	2,258	1,245
Effects of:		
Expenses not deductible for tax purposes	345	725
Income not subject to tax	(54)	-
Group relief surrendered for nil consideration	(65)	(31)
Adjustment to tax charge in respect of previous periods	275	273
Allocation of partnership profits in respect of prior periods previously subject to corporation tax	(739)	-
Current tax charge for period	2,020	2,212

9 Dividends paid

	2016 £'000	2015 £'000
Ordinary shares	3,622	3,500

International Resources Group Limited

Notes forming part of the financial statements
for the year ended 30 April 2016 (*continued*)

10 Leasehold assets

	Leasehold £'000
Cost	
At 1 May 2015	716
Additions	-
	<hr/>
At 30 April 2016	716
	<hr/>
Depreciation	
At 1 May 2015	381
Provided for the period	151
	<hr/>
At 30 April 2016	532
	<hr/>
Net book value	
At 30 April 2016	184
	<hr/>
At 30 April 2015	335
	<hr/>

11 Intangible assets

	Trademarks £'000
Cost	
At 1 May 2015	133
Additions	1
	<hr/>
At 30 April 2016	134
	<hr/>
Depreciation	
At 1 May 2015	42
Provided for the period	9
	<hr/>
At 30 April 2016	51
	<hr/>
Net book value	
At 30 April 2016	83
	<hr/>
At 30 April 2015	91
	<hr/>

International Resources Group Limited

Notes forming part of the financial statements
for the year ended 30 April 2016 (*continued*)

12 Fixed asset investments

£'000

Cost at 1 May 2015 and 30 April 2016

8,598

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the Company's interest at the period end is 20% or more are as follows:

Name	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business
Odgers Berndtson (Hong Kong) Company Limited	Hong Kong	100%	Recruitment
* Odgers Berndtson (Shanghai) Company Limited	Shanghai	100%	Recruitment
International Consulting and Human Management Company Limited	Vietnam	100%	Recruitment
IRG Advisors LLP	United Kingdom	99.9%	Recruitment
*IRG Employment Services Limited	United Kingdom	100%	Staff services
OB International Search Limited	United Kingdom	51%	Management Company
IRG Holdings Inc.	United States	100%	Management Company
*Odgers Berndtson LLC	United States	24%	Recruitment
Odgers Berndtson Switzerland	Switzerland	42.5%	Recruitment
Odgers Berndtson India	India	100%	Recruitment
Odgers Group Pty Limited	Australia	100%	Management Company
*Braithwaite Steiner & Pretty Pte Ltd	Australia	100%	Recruitment

* held indirectly

13 Debtors

	2016 £'000	2015 £'000
Trade debtor	4	-
Prepayments and accrued income	442	360
Other debtors	-	30
Amounts owed by subsidiary undertakings	28,098	16,714
Amounts owed from associated companies	584	535
Other tax and social security costs	1	3
Deferred tax asset	112	122
	29,241	17,764

Included with amounts shown above are £Nil (2015 - £Nil) of debtors due in greater than one year.

The deferred tax asset relates to accelerated capital allowances.

International Resources Group Limited

Notes forming part of the financial statements
for the year ended 30 April 2016 (continued)

14 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	-	16
Corporation tax	1,058	829
Amounts owed to subsidiary undertakings	17,452	11,681
Accruals	235	225
	<u>18,745</u>	<u>12,751</u>

15 Provision for liabilities

	Dilapidations £'000
At 1 May 2015	426
Charged to profit and loss account	12
	<u>438</u>
At 30 April 2016	<u>438</u>

The dilapidations provision represents management's best estimate of the cost of repairs to the group's premises in accordance with the terms of its leases.

16 Share capital

	2016 Number	Allotted, called up and fully paid 2015 Number	2016 £'000	2015 £'000
Original ordinary shares of 1p each	1,394,272	1,394,272	14	14
Ordinary shares of 1p each	1,231,767	1,231,767	12	12
	<u>2,626,039</u>	<u>2,626,039</u>	<u>26</u>	<u>26</u>

17 Commitments under operating leases

As at 30 April 2016, the Company had minimum lease commitments under non-cancellable operating leases as set out below:

	Land and buildings 2016 £'000	Land and buildings 2015 £'000
Operating leases which expire:		
Not later than 1 year	1,455	1,213
Later than 1 year and not later than 5 years	2,814	2,662
	<u>4,269</u>	<u>3,875</u>

International Resources Group Limited

Notes forming part of the financial statements for the year ended 30 April 2016 (*continued*)

18 Related party transactions

The Company has taken advantage of the exemption conferred by FRS102 not to disclose transactions between wholly owned group companies.

The following receivables balances relating to group companies which are not wholly owned subsidiaries of International Resources Group Limited is given below:

	2016 £'000	2015 £'000
Odgers Berndtson Switzerland		
Short-term loans and trading	176	138
Odgers Berndtson LLC		
Short-term loans and trading	410	351

19 Ultimate parent company

At 30 April 2016, the Company's ultimate parent company was Odgers Group Limited (formerly Oak Topco Limited) which is the parent of both the smallest and largest groups of which the Company is a member.

Copies of the consolidated financial statements of Odgers Intermediate Limited (formerly Odgers (Group) Limited) are available from Companies House.

In the opinion of the directors there is no one controlling party.

20 First time adoption of FRS 102

There have been no changes to the Company's previously reported profit and equity arising from the adoption of FRS 102.