

REGISTERED NUMBER: 06397426 (England and Wales)

Annual Report and Financial Statements for the Year Ended 31 December 2021

for

ESG Holdings Limited

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ESG Holdings Limited (Registered number: 06397426)

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For the Year Ended 31 December 2021

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ESG Holdings Limited (Registered number: 06397426)

Company Information

For the Year Ended 31 December 2021

DIRECTORS:

G Scott
S Frith
L Rimmington
M Cooper
S Kamal

REGISTERED OFFICE:

12 Europa View,
Sheffield Business Park,
Sheffield
S9 1XH

REGISTERED NUMBER:

06397426 (England and Wales)

ESG Holdings Limited (Registered number: 06397426)

Strategic Report
For the Year Ended 31 December 2021

The directors present their strategic report for the year ended 31 December 2021.

REVIEW OF BUSINESS

ESG Holdings Limited (the "Company") is a wholly owned subsidiary of Realise Working Futures Limited.

Operating result for the year was £nil (2020: loss of £10,043,339) and the result for the financial year after taxation was £nil (2020: loss of £10,043,339). The full results for the year ended 31 December 2021 are set out in the financial statements.

FUTURE DEVELOPMENTS

The business will continue to manage its future obligations in order to fulfil any contractual requirements.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have concluded that there are no principal risks and uncertainties to disclose in the Strategic Report. The directors have given due consideration to any expected obligations that the company will have and has estimated the costs of these within the financial statements.

FINANCIAL RISK MANAGEMENT

As an intermediate holding company which does not trade, there are limited financial risks to ESG Holdings Limited as an individual entity. ESG Holdings Limited ultimate parent is Realise Learning and Employment Holdings Limited. To mitigate any financial risk as a group, the group prepares regular cash flow budgets and operational budgets which are reviewed by the Board.

KEY PERFORMANCE INDICATORS (KPIs)

As ESG Holdings Limited is a non-trading company holding investments in subsidiaries, the directors consider that there are no key performance indicators for the company as an individual entity.

ON BEHALF OF THE BOARD:

G Scott
27/04/2022 11:13:22

Gregg Scott

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G Scott - Director

Date: 27 April 2022

Report of the Directors
For the Year Ended 31 December 2021

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

RESULTS AND DIVIDENDS

The results for the year after taxation amounted to £nil (2020: loss of £10,043,339). No dividends will be distributed for the year ended 31 December 2021.

DIRECTORS

The directors who have held office during the year from 1 January 2021 to the date of this report are as follows:

G Scott
S Frith
L Rimmington
M Cooper
S Kamal – appointed 1 May 2021

QUALIFYING THIRD PARTY INDEMNITY PROVISION

The company has provided an indemnity for its directors and the secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

POST BALANCE SHEET EVENTS

There have been no significant post balance sheet events since 31 December 2021.

GOING CONCERN STATEMENT

The operating profit and profit after taxation, for the year was £nil (2020: loss of £10,043,339). The company continues to carry out its primary activity as an intermediate holding company.

Based on future expected liabilities and current resources the company is expected to meet its liabilities as they fall due. The company also has confirmation from Realise Learning and Employment Limited, the main trading entity of the group and the company with available finance facilities that it will continue to provide financial support for a period of at least 12 months from the date of approval of these financial statements.

Realise Learning and Employment Limited have prepared trading and cashflow forecasts for a period of at least 12 months from the date of signing these financial statements considering the current increase in demand post COVID-19 lockdowns and planned pipeline.

These forecasts indicate that Realise Learning and Employment Limited's existing funding facilities and positive cash balance will be sufficient for them to meet their liabilities as they become due and provide financial support to ESG Holdings Limited in the scenarios forecast.

All expectations of the future are inherently uncertain due to the current circumstances, however, the Directors are confident that the company has adequate resources for all reasonably expected eventualities. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

ESG Holdings Limited (Registered number: 06397426)

Report of the Directors
For the Year Ended 31 December 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

SMALL COMPANIES NOTE

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

ON BEHALF OF THE BOARD:

G Scott
27/04/2022 11:13:22

Gregg Scott

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G Scott - Director

Date: 27 April 2022

Statement of Comprehensive Income
For the Year Ended 31 December 2021

	Notes	2021 £	2020 £
TURNOVER		-	-
Exceptional items	5	<u>-</u>	<u>(10,043,339)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	6	-	(10,043,339)
Tax on loss on ordinary activities	7	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>-</u>	<u>(10,043,339)</u>

There was no other comprehensive income for 2021 (2020: £nil)

The notes on pages 8 to 12 form part of these financial statements.

ESG Holdings Limited (Registered number: 06397426)

Statement of Financial Position
For the year ended 31 December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Investments	8	<u>1,336,855</u>	<u>1,336,855</u>
CURRENT ASSETS			
Debtors falling due within one year	9	10,039	-
Cash at bank and in hand	10	<u>774</u>	<u>10,813</u>
NET CURRENT ASSETS		<u>10,813</u>	<u>10,813</u>
TOTAL ASSETS		<u><u>1,347,668</u></u>	<u><u>1,347,668</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	1,029	1,029
Share premium	12	9,405,119	9,405,119
Retained earnings	12	<u>(8,058,480)</u>	<u>(8,058,480)</u>
SHAREHOLDERS' FUNDS		<u><u>1,347,668</u></u>	<u><u>1,347,668</u></u>

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with provisions applicable to companies subject to the medium companies regime and in accordance with the provisions of FRS102.

The financial statements were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

G Scott
27/04/2022 11:13:22

Gregg Scott

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G Scott - Director

Date: 27 April 2022

The notes on pages 8 to 12 form part of these financial statements.

Statement of Changes in Equity
For the year ended 31 December 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	1,029	8,068,264	1,033,734	9,103,027
Comprehensive loss for the year				
Loss for the year	-	-	(10,043,339)	(10,043,339)
Total comprehensive loss for the year	-	-	(10,043,339)	(10,043,339)
Contributions by and distributions to owners				
Share issued during the year	-	1,336,855	-	1,336,855
Contribution arising from loan waivers	-	-	951,125	951,125
Total transactions with owners	-	1,336,855	951,125	2,287,980
At 1 January 2021	1,029	9,405,119	(8,058,480)	1,347,668
Profit for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
At 31 December 2021	1,029	9,405,119	(8,058,480)	1,347,668

The notes on pages 8 to 12 form part of these financial statements

1. **COMPANY INFORMATION**

ESG Holdings Limited ("the company") is a private company limited by shares incorporated in England and Wales, with its registered office at 12 Europa View, Sheffield Business Park, Sheffield, England, S9 1XH.

These financial statements are prepared for the year ended 31 December 2021. The comparative financial statements are for the year ended 31 December 2020.

The principal activity of the company is that of an intermediary holding company.

The financial statements present information about ESG Holdings Limited as an individual entity and do not consolidate the results of its subsidiaries. It has taken advantage of the exemption available in S400 of the Companies Act 2006 not to prepare group financial statements as this information is included in the consolidated financial statements of Realise Learning and Employment Holdings Limited as at 31 December 2021 and these financial statements have been filed with Companies House, Cardiff.

2. **GOING CONCERN STATEMENT**

The operating loss and loss after taxation for the year was £nil (2020: £10,043,339). The company continues to carry out its primary activity as an intermediate holding company.

Based on future expected liabilities and current resources the company is expected to meet its liabilities as they fall due. The company also has confirmation from Realise Learning and Employment Limited, the main trading entity of the group and the company with available finance facilities that it will continue to provide financial support for a period of at least 12 months from the date of approval of these financial statements.

Realise Learning and Employment Limited have prepared trading and cashflow forecasts for a period of at least 12 months from the date of signing these financial statements considering the current increase in demand post COVID-19 lockdowns and planned pipeline.

These forecasts indicate that Realise Learning and Employment Limited's existing funding facilities and positive cash balance will be sufficient for them to meet their liabilities as they become due and provide financial support to ESG Holdings Limited in the scenarios forecast.

All expectations of the future are inherently uncertain due to the current circumstances, however, the Directors are confident that the company has adequate resources for all reasonably expected eventualities. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

3. **ACCOUNTING POLICIES**

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting standard applicable in the UK and Republic of Ireland and with the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The policies have been applied consistently throughout the year, unless otherwise stated

The financial statements are presented in Sterling (£), which is the functional currency of the Company.

3. ACCOUNTING POLICIES – continued

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' as this information is included in the consolidated financial statements of Realise Learning and Employment Holdings Limited:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other income or directly in equity respectively.

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time of the expected reversal of the timing differences.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Notes to the Financial Statements continued
For the Year Ended 31 December 2021

3. ACCOUNTING POLICIES - continued

Investment in subsidiaries

Investment in subsidiary undertakings are recorded at cost less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of impairment. The investment is impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the asset, the estimated future cash flows of the investment have been affected.

Judgements and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. There are no significant judgments or estimates included in these financial statements.

4. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2021 nor for the year ended 31 December 2020.

There were no director's remuneration through ESG Holdings Limited for the year ended 31 December 2021 nor for the year ended 31 December 2020.

5. EXCEPTIONAL COSTS

	2021 £	2020 £
Intercompany debtor write off	<u>-</u>	<u>10,043,339</u>

6. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The Company has not traded during the year ended 31 December 2021.

The auditors' remuneration for the company, together with certain other administrative expenses, has been borne by another group undertaking and not recharged.

7. TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2021 nor for the year ended 31 December 2020

Factors affecting the tax charge

The tax assessed for the year is the same as (2020: higher than) the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £	2020 £
Profit on ordinary activities before income tax	<u>-</u>	<u>(10,043,339)</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	-	(1,908,234)
Effects of:		
Expenses not deductible for tax purposes	<u>-</u>	<u>1,908,234</u>
Tax charge	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

As at 31 December 2021 the company had carried forward tax losses of £0 (2020: £0).

Notes to the Financial Statements continued
For the Year Ended 31 December 2021

8. INVESTMENTS

As at 31 December 2021, the company holds the share capital of the following principal companies incorporated in England and Wales (indirectly*):

Company	Principal activity	Share class held	%
ESG Intermediate Holdings Limited	Intermediate holding company	Ordinary	100
ILE Corporate Services Limited *	Administrative and management services	Ordinary	100
Realise Learning and Employment Limited *	Vocational training	Ordinary	100
Sencia Limited *	Provision of training and employment services	Ordinary & Preference	100

Cost	£
At 1 January 2021 and 31 December 2021	<u>1,336,855</u>

Provision for Impairment	£
At 1 January 2021 and 31 December 2021	<u>-</u>

Net Book Value	£
At 1 January 2021	1,336,855
At 31 December 2021	<u>1,336,855</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Amounts owed by group undertakings	<u>10,039</u>	<u>-</u>

Amounts owed by group undertakings pertains to interest free advances repayable on demand.

10. CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at bank and in hand	<u>774</u>	<u>10,813</u>

ESG Holdings Limited (Registered number: 06397426)

Notes to the Financial Statements continued
For the Year Ended 31 December 2021

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

			2021 £	2020 £
Number:	Class:	Nominal Value:		
1,029,217 (2020: 1,029,217)	Ordinary	£0.001	<u>1,029</u>	<u>1,029</u>

12. RESERVES

Retained earnings includes all current and prior year retained profits and losses.

Share premium represents amounts paid in excess of the nominal value for the share capital.

13. CONTROLLING PARTY

The company is a wholly owned subsidiary of Realise Working Futures Limited. During the period, the directors regard Realise Working Futures Limited as the immediate parent undertaking and Realise Learning and Employment Holdings Limited as the ultimate parent company.

Realise Learning and Employment Holdings Limited is considered to be under the control of funds managed by Enact II GP LP which is authorised and regulated by the Financial Conduct Authority.

The directors consider that there is no one ultimate controlling party by virtue of there being no majority shareholder within the ultimate parent entity.

14. RELATED PARTY DISCLOSURES

The company is a wholly owned subsidiary of Realise Working Futures Limited and has taken advantage of the exemption conferred by Financial Reporting Standard 102 not to disclose transactions with Realise Working Futures Limited or other 100% group companies.