24 March 2025

Certain information contained within this Announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 ("MAR") as applied in the United Kingdom. Upon publication of this Announcement, this information is now considered to be in the public domain.

RTC Group Plc

("RTC", "the Company" or "the Group")

Final results for the year ended 31 December 2024

RTC Group Plc (AIM: RTC.L) is pleased to announce its audited results for the year ended 31 December 2024.

Highlights

- Group revenue from continuing operations £96.8m (2023: £98.8m).
- Profit before tax £2.6m (2023: £2.5m).
- EBITDA £3.3m (2023: £3.8m).
- Cash generated from operating activities £2.2m (2023: £4.7m).
- No gearing.
- Cash and cash equivalents £0.9m (2023: £1.1m).
- Net assets £8.0m (2023: £7.9m).
- Net asset value per share (fully diluted) 59p (2023: 54p).
- Fully diluted weighted average earnings per share 13.01p (2023: 12.72p).
- Earnings per share based on year-end position 13.75p (2023: 12.51p)
- Interim dividend 1.1p per share paid (2023: 1.0p).
- 5.0p final dividend proposed (2023: 4.5p).

The Directors propose a final dividend for the year of 5.0p (2023: 4.5p) per share, subject to approval of shareholders at the Annual General Meeting on 21 May 2025. If shareholders approve the recommended final dividend, it will be paid on 27 June 2025 to all holders of shares who are on the register of members at the close of business on 30 May 2025, with an ex-dividend date of 29 May 2025. If approved this will bring the total dividend paid out in respect of 2024 to £841,468 (6.1p per share).

Commenting on the results Andy Pendlebury, Chairman and Chief Executive said:

"2024 was an extremely satisfying year for the Group. Another strong set of results, another constructive year of value enhancement for our shareholders, while continuing to invest in the future, and a business with an outstanding balance sheet, and long-term revenue visibility through its strong order book with blue chip clients. A Group with strong independent yet interlinked subsidiary businesses with proven track records in both UK and International markets.

I am confident that our strategy of building a diverse group of subsidiaries partnering with companies heavily invested in long-term capital-intensive infrastructure sectors will continue to provide us with a layer of protection from the peaks and troughs of the traditional recruitment cycle.

Our solid order book across rail maintenance and renewals, and smart meter roll out and upgrades alongside other key infrastructure programmes, provides some clear visibility of revenue in 2025 and I remain cautiously confident in our short, medium and long-term prospects.

Once again, our excellent performance is as a direct result of the exceptional people that we employ across the Group. The accumulation of both industry and company knowledge, experience and operational capability, coupled with the continual and unbridled enthusiasm and energy of everybody combines to create the unique and distinctive culture which permeates every corner of the Group and differentiates us as a company.

A big thank you to everybody for all your hard work."

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About RTC
Group at a glance

RTC Group Plc is an AIM listed recruitment business that focuses on white and blue-collar recruitment, providing temporary and permanent labour to a broad range of industries and customers, in both domestic and international markets, through its geographically defined operating divisions.

UK division

Through its Ganymede and ATA brands the Group provides a wide range of recruitment services in the UK.

Ganymede specialises in recruiting the best technical and engineering talent and providing complete workforce solutions to help build and maintain infrastructure and transportation for a wide range of UK customers. Ganymede is a market leader in providing a diverse range of people solutions to the rail, energy, construction, highways, and transportation sectors. With offices strategically located across the country, Ganymede provides its customers with the benefit of a national network of skilled personnel combined with local expertise.

Ganymede tailors its solutions to suit its customers' needs. Whether it is recruiting permanent and temporary technical, engineering and safety-critical roles or providing fully managed workforce solutions of recruitment, training, account management, contingent labour and fleet provision, Ganymede works closely with its customers to understand their requirements, keeping their goals in mind every step of the way.

ATA provides high-quality technical recruitment solutions to the manufacturing, engineering, and technology sectors. Working as an engineering recruitment partner supporting businesses across the UK, ATA has a strong track record of attracting and recruiting the best engineering talent for its customers. ATA's regional offices which are strategically located in Leicester and Leeds each have dedicated market experts to ensure ATA delivers excellence to both its customers and candidates.

The Group headquarters are located at the Derby Conference Centre which also provides office accommodation for its operating divisions in addition to generating rental and conferencing income from space not utilised by the Group.

International division

Internationally, through our GSS brand we work with customers across the globe that are focused on delivering projects in a variety of sectors. GSS has a track record of delivery in some of the world's most hostile locations. Working closely with its customers GSS provides contract and permanent staffing solutions on an international basis, providing key personnel into new projects and supporting ongoing large-scale project staffing needs. GSS typically recruits across a range of disciplines and skills from operators and supervisors, through to senior management level.

www.rtcgroupplc.co.uk

Chairman and Chief Executive's operational and strategic review
For the year ended 31 December 2024

Overview
2024 was another extremely satisfying year for RTC with the Group delivering an exceptional set of results in a difficult year for the recruitment sector. Despite a relatively small reduction in revenue at Group level, our UK and international business have delivered increased gross profit and this, when benchmarked across the broader recruitment sector, and in particular the quoted market contingent where sentiment has become increasingly subdued, is a significant achievement for the Group.

Whilst modest in size when compared to many of our quoted peers I believe our performance should not be understated and our strategy of building a diverse and complementary portfolio of sector specific subsidiaries continues to build sustainable value for our shareholders.

We have established market leading positions both in the UK and overseas and as we enter the 2025 financial year, we believe we can continue to unlock further earnings opportunities through our strong relationships with clients and our substantial order book which continues to provide the solid foundation for future growth and our long-term investment plans.

During 2024 the Group achieved a number of significant financial milestones of which I am extremely proud, and which I believe deserve highlighting to our shareholders. Our cumulative revenue since I assembled new leadership and subsidiary management teams to deliver my vision and strategy for the Group's shareholders, has now surpassed £1bn with total gross profit generated approaching £200m and committed dividends of over £4m to our shareholders.

It should be noted that, across the Group, at the core of this success, key individuals who started this journey with me remain in senior leadership positions in management teams across the Group with a significant number having over 20 years' service with their businesses. This is testament to, and a measure of, the exceptional culture which pervades RTC and bodes well for the long-term future of the Group.

Our achievements are even more pleasing considering the multiple disruptions to our strategic progress caused by the global economic downturns as a consequence of the 2008/2009 financial crisis and the COVID epidemic of 2020/2021 and compounded by protracted industrial relations disturbances across the rail sector in the UK during 2023. Collectively these uncontrollable events denied the Group the opportunity to deliver even greater success for its shareholders.

Our balance sheet continues to go from strength to strength with another year of extremely positive cash generation and we remain completely term debt free with zero gearing. During the year we took the opportunity to acquire a large holding of shares from a long-standing shareholder at a sensible price for our shareholders and through utilising free cash flow. Even taking account of this transaction, we increased the net assets of our balance sheet which has now grown, fully diluted, to 59p per share giving an annual increase of over 9% for our shareholders. Furthermore, our reported fully diluted earnings per share (eps) grew 2% from 12.72p to 13.01p per share. I note, however, that moving beyond standard accounting, and based on the year-end position, the increase in eps is no less than 8%, at 13.75p, a very positive outcome.

As result of both our strong financial performance and our prudent treasury management, we are able to reward our shareholders with a very healthy final dividend of 5p representing an 11% increase year on year. It is also worth noting for reference that at year end our net assets represented nearly 60% of our closing share price.

During the year the Group announced the appointment of three new directors to the Board. Paul Crompton, executive director, and Nick Spoliar and Wayne Thornhill as non-executive directors. All have exceptional experience and skills which I believe will help RTC execute its short, medium, and long-term strategic plans and establish a future for its shareholders capable of building on its outstanding successes to date.

In conclusion, another strong set of results, another constructive year of value enhancement for our shareholders, a business with an outstanding balance sheet and long-term revenue visibility through its strong order book with blue chip clients and a company with strong independent yet interlinked subsidiary businesses with proven track records in both UK and International markets.

Whilst there are unquestionable concerns clouding the confidence of the broader recruitment sector as we enter 2025, and the impact of rising employment costs through the combination of employer national insurance increases and the new Employment Rights Bill have yet to be fully digested, I remain cautiously optimistic of our prospects as we enter the new financial year.

Business review

UK Division

In 2024, our UK recruitment division delivered an exceptionally strong performance, all the more so allowing for the general environment, yet again demonstrating resilience and adaptability in a challenging economy and an uncertain recruitment market. Whilst revenue was slightly down at £88.9m (2023: £91.2m), gross profit was up at £15.6m (2023: £15.3m), reflecting our commitment to both strategic focus and operational efficiency to maintain enhanced value creation.

Ganymede Energy continued to build on the success it enjoyed in 2023 by delivering another strong performance in 2024 with a steady increase in gross profit, which is particularly pleasing given the ongoing, and well publicised challenges within the metering industry. Based on the latest government statistics, as of the end of September 2024, there were 37 million smart and advanced meters installed in homes and small businesses across the UK, accounting for 65% of all gas and electricity meters. Whilst the sector continues to face ongoing challenges, smart meters present significant long-term opportunities for our energy business as, in addition to the completion of existing planned installations, first generation installations are becoming increasingly obsolete and upgrades to first generation SMETS1 meters to ensure full interoperability remains a high priority. In addition, the decommissioning of Radio Teleswitch Service (RTS) meters, with around 600,000 still in operation and set for replacement before the RTS shutdown in June 2025, represents a crucial area of ongoing metering work in the immediate future. Furthermore, the upcoming 2G/3G network switch-off will necessitate the proactive replacement or upgrade of a significant volume of 2G/3G enabled meters to ensure continued communication and functionality. These essential transitions across the industry's technology capability will drive significant activity in the medium term, and this will provide a strong pipeline of demand for Ganymede engineers.

In addition to the continued metering rollout programme, our energy business is also seeing significant opportunities for medium to long-term growth in the wider decarbonisation of homes and the transformation of energy supply. As the UK accelerates its transition to a low-carbon economy through increased electrification, heat pump installations, and the expansion of renewable energy infrastructure, our expertise and market position leave us well-placed to support and benefit from these changes. Given our proven track record, market positioning, and secure order book in excess of £20 million, we remain firmly established as a leading labour supplier to the energy sector. The scale of the visible opportunity which lies ahead presents further significant opportunities for our business, reinforcing our confidence in the long-term growth and resilience of the energy division. Finally, our training centre which was established in 2023 to upskill Ganymede engineers is now also being used by our clients to train their employees justifying our investment commitment to the sector and enabling us to remain at the forefront of energy recruitment as the sector continues to expand.

Throughout 2024, the mainstream UK recruitment market faced persistent challenges driven by economic uncertainty, suppressed client and candidate confidence, and extended hiring timescales, resulting in a sustained slowdown in vacancy numbers. Despite these headwinds, Ganymede and ATA's white-collar permanent recruitment teams delivered an extremely robust performance, resulting in an 8% increase in permanent recruitment fees compared to 2023. This was in marked contrast to its peer group which was typically reporting net fee income decline of anywhere between 20%-30%. A truly outstanding performance recognising the strong team effort within the division and highlighting why our strategy of long-term partnering with industry leaders remains pivotal to our continued success. Alongside this, both the Ganymede and ATA businesses capitalised on stronger demand for temporary and contract staff, achieving a combined 14% increase in contract gross profit, year on year. These increases in permanent fees and temporary and contract gross profit are extremely pleasing given the weakening sentiment impacting the sector.

This success was underpinned by our strategic positioning across key growth sectors that continued to invest in talent throughout the year. Demand across our infrastructure, manufacturing, and transportation client base remained relatively resilient, driving sustained hiring activity enabling us to circumvent much of the negative market sentiment and deliver strong growth across all our target sectors. We are particularly encouraged with the accelerating growth we are seeing with clients servicing the water sector, which is set to benefit from the impending regulatory investment cycle, AMP8 (Asset Management Period 8) which runs from April 2025 to March 2030, and set to invest a projected £100bn in critical water infrastructure projects. Given our track record of providing personnel into safety critical environments, and our solid relationships with key sector suppliers we believe we are well placed to capture new opportunities as they emerge.

In last year's annual report, I confirmed that our rail division was ideally positioned to capitalise on Network Rail's next five-year infrastructure investment plan (Control Period 7), which commenced in April 2024, and has an expected value of approximately £43 billion. However, the first nine months of CP7 have seen a slower than anticipated start, with Network Rail holding back and activity levels below initial expectations. Despite these challenges, our rail division still delivered a like-for-like performance at the gross profit level compared to a very strong 2023. This was achieved through robust revenue generation across other supply chain partners engaged in maintenance and renewals activities.

Given our dominant position across key routes with Network Rail, I remain optimistic that the committed expenditure plans across the rail network in CP7 will materialise, and our rail division, which is widely recognised as a market leader in the sector, remains well positioned to maximise opportunities as investment activity accelerates.

In 2023, we committed to a significant investment programme to replace our front-end recruitment software systems, consolidating them into a single and centralised cloud-based platform. This investment will enhance our recruitment efficiency, generating both stronger and more uniform compliance, while providing improved reporting capabilities for our subsidiary leadership and recruitment teams. I am pleased to report that the first phase of this transition is now complete, with the final phase scheduled to go live in Q2 2025.

In summary, the UK division delivered another very strong financial performance in 2024, demonstrating its strength, resilience and adaptability in challenging market conditions. Despite industry and economic headwinds, we further consolidated our position across all our key sectors reinforcing the quality of our strategic focus and operational agility. Our increasing gross profit driven by the continued success of our recruitment divisions, and our expanding role in critical industries highlights our ability to deliver growth in a climate of uncertainty.

Our strong market presence, combined with strategic investments in technology, operational efficiencies, and workforce development, positions us well to capitalise on opportunities and drive future growth. We see significant opportunities for continued success through the ongoing rollout of smart metering, the transition to net-zero energy solutions, and record investment plans within AMP8 and CP7, all of which we believe will continue to provide a substantial pipeline of work and order book generation.

International division - Global Staffing Solutions (GSS)

Our international business had another successful year with revenue up 6% and gross profit up over 30% reflecting both an increase in product mix and the impact of unique revenue generating initiatives by the business. In order to provide a recruitment solution to our largest international client, GSS 'wet leased' an airbus A320 and through its international recruitment reach, the business sourced, prepared and deployed 150 workers to Diego Garcia in the Chagos islands. The project which involved recruiting candidates from over 15 countries and mobilising them firstly to a central location for security clearance and capability authentication, was the first time a commercial project of this nature had been given military clearance for Diego Garcia. The project, which was an outstanding success, has further demonstrated the unique capabilities and project reach of GSS and contributed to a year-on-year increase in profit from operations of over 50%. A superb achievement by the team.

Whilst international projects can by their very nature time expire, and associated revenues can fluctuate due to new project lead times, I am confident that our broad client base will continue to generate new opportunities for our international team, and I remain extremely confident in both its ability to identify and secure new opportunities as they emerge.

Central services

Yet again I am delighted that the Derby Conference Centre (DCC) continued to stand out in the highly crowded and immensely competitive East Midlands hospitality and conferencing sector. Whilst the business faced increased costs fuelled mainly through wages-based inflation, it performed extremely well and continued to deliver a positive contribution to the Group. In addition to its exceptional direct B2B and B2C sales success the business continues to collaborate with other Group businesses to develop complementary opportunities. Furthermore, the DCC is working with industry partners to develop long term hospitality and accommodation partnerships, and this has led to a number of long-term contracts with training companies and local companies in the East Midlands community.

Finally, as has been widely reported across the hospitality sector, the changes outlined in the October 2024 budget present additional cost pressures to the business, with employer's national insurance increases, and minimum wage increases from April 2025 and Employment Rights Bill changes imminent.

Outlook

In assessing our future prospects, it would be irresponsible of me to not acknowledge potential headwinds threatening the broader UK economy and which in turn traditionally flow down to the recruitment sector. For many, 2025 has begun with a continuation of the trading challenges which began to emerge in 2024 as the post COVID hiring boom, which began in 2022, started to normalise. In addition, the acceleration of wage inflation coupled with a proliferation in operating costs has forced many companies to reconsider headcount plans. Also, and as alluded to earlier, there are further uncertainties arising from the national insurance increases which become effective from April and the proposed Employment Rights Bill announced in the October budget which have yet to be fully digested by industry. These concerns alongside other broader geopolitical headwinds will undoubtedly prolong unease across the business community.

However, and whilst mindful of these challenges, I am confident that our strategy of building a diverse group of subsidiaries partnering with companies heavily invested in long-term capital-intensive infrastructure sectors will continue to provide us with a layer of protection from the peaks and troughs of the traditional recruitment cycle. Our solid order book across rail maintenance and renewals, and smart meter roll out and upgrades alongside other key infrastructure programmes, provides some clear visibility of revenue in 2025 and I remain cautiously confident in our short, medium and long-term prospects.

Our people

Once again, our excellent performance is as a direct result of the exceptional people, we employ across the Group. Earlier I drew reference to the length of service some of our senior leadership teams have with the company. These highly committed teams of people span our group finance, human resources, information technology departments and are embedded within each and every one of subsidiary businesses. The accumulation of both industry and company knowledge, experience and operational capability, coupled with the continual and unbridled enthusiasm and energy of everybody, combine to create the unique and distinct culture which permeates every corner of the Group and differentiates us as a company.

A big thank you to everybody for all your hard work.

A M Pendlebury
Chairman and Chief Executive 21 March 2025

Finance Director's report

For the year ended 31 December 2024

Financial highlights

The Group overall delivered revenues of £96.8m (2023: £98.8m). Overall gross profit increased to £17.9m (2023: £17.4m) and gross margin improved to 18.5% (2023: 17.6%). The profit from operations of £2.6m (2023: £2.7m) reflects a year that saw good overall performances across all areas of the Group.

UK Recruitment

Overall, our UK Recruitment division delivered a strong performance, revenues were £88.9m (2023: £91.2m) and gross profit increased to £15.6m (2023: £15.3m). Gross margin was also better at 17.5% (2023: 16.8%). Profit from operations was £5.0m (2023: £5.0m), reflecting our strategic focus on efficiency and value creation.

Ganymede Energy continued to build on the success of 2023, delivering a strong performance in 2024 with a steady increase in gross profit, which is particularly pleasing given the ongoing challenges within the metering industry.

Ganymede Rail delivered a like-for-like performance at the gross profit level compared to a very strong 2023, supported by robust revenue generation across maintenance and renewals activities.

The division's traditional white-collar recruitment, serviced by our ATA and Ganymede Recruitment brands performed well throughout the year with permanent and contract revenues combined increasing by 15%, defying broader market trends.

Refer to Chairman and Chief Executive's operational and strategic review for a detailed consideration of markets and opportunities.

International

Revenue increased to £5.6m (2023: £5.3m) with a corresponding increase in gross profit to £1.2m (2023: £0.9m) and gross margin increasing to 21.3% (2023: 17.3%). The division delivered a profit from operations of £0.7m (2023: £0.5m) largely due to increased activity with a key client which included an innovative charter flight solution for getting workers to a key client location.

Central Services

Within Central Services, the Derby Conference Centre saw good levels of activity relating to conferences, events and bedroom sales for the majority of 2024 and a strong finish on festive activities. Revenue generated by the segment was £2.2m (2023: £2.3m) and gross profit was £1.1m (2023: £1.2m), reflecting the continuing impact of wage and price inflation on direct costs which have continued to erode the gross margin to 50.7% (2023: 52.2%).

Taxation

The tax charge for the year was £0.7m (2023: £0.7m). The variance between this and the expected charge if a 25% corporation tax rate was applied to the result for the year is explained in note 3.

Dividends

During the year, the Company paid an interim dividend of £160,823 (2023: £145,003) to its equity shareholders. This represents a payment of 1.1p (2023: £1.0p) per share (refer to note 20). The directors have proposed a final dividend of £680,645 (5.0p per share) (2023: £659,263 (4.5p per share)) to be paid on 27 June 2025 to shareholders registered on 30 May 2025. This has not been accrued within these financial statements as it was not formally approved before the year end. If approved this will bring the total dividend paid out in respect of 2024 to £841,468 (6.1p per share).

Purchase and cancellation of own shares

During the year the Company purchased 1,132,380 of its own shares and subsequently cancelled them with the aim of increasing remaining shareholder value. The total share capital of the Company is now 13,612,897.

Statement of financial position and cash flows

The Group's net working capital increased to £7.0m (2023: £6.8m). The ratio of current assets to current liabilities was 1.6 (2023: 1.6) and at the 31 December 2024 (and 31 December 2023) the Group had no borrowings outside of lease liabilities.

The Group generated £2.2m cash from its operations in 2024 (2023: £4.7m). This inflow from operating activities enabled the Group to pay an improved interim dividend, propose an improved final dividend, and buy back and cancel 1,132,380 own shares, at the same time minimising use of its invoice discounting facility thus keeping interest charges low.

The Group has no term debt and is financed using its invoice discounting and overdraft facilities with HSBC. On 31 December 2024 the Group had no borrowings and available funds to draw down of £9.4m (2023: £10.3m).

The Group has a very strong credit control function and, given the current economic environment and high rate of business failures holds credit insurance for most customers which gives us additional input to credit management from the credit insurer's database and the more confidence to increase business with certain customers backed by insurance.

Financing and going concern
The Group's current bank facilities include a net overdraft facility across the Group of £50,000 and an invoice discounting facility with HSBC providing up to £12.0m, based on a percentage of good book debts, at a margin of 1.6% above base. The Board closely monitors the level of facility utilisation and availability to ensure there is enough headroom to manage current operations and support the growth of the business.

In assessing the risks related to the continued availability of the current facilities, the Board have taken into consideration the existing relationship with HSBC and the strength of the security provided, also taking into account the quality of the Group's customer base. Based on their enquiries, the Board have concluded that sufficient facilities will continue to remain available to the Group and therefore the going concern basis of preparation remains appropriate and no material uncertainty exists.

Liquidity risk
The Group seeks to mitigate liquidity risk by effective cash management. The Group's policy, throughout the year, has been to ensure the continuity of funding through a net overdraft facility of £50,000 and an invoice discounting facility, providing up to £12m based on a percentage of good book debts. The invoice discounting facility is the Group's core funding line and is classed as evergreen in that it has no fixed expiry date (although it is reviewed annually).

S L Dye
Group Finance Director 21 March 2025

Consolidated statement of comprehensive income

For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Revenue	2	96,762	98,781
Cost of sales		(78,831)	(81,337)
Gross profit		17,931	17,444
Administrative expenses		(15,306)	(14,729)
Profit from operations		2,625	2,715
Net finance expense		(80)	(180)
Profit before tax		2,545	2,535
Tax expense	3	(672)	(690)
Total profit and other comprehensive income for the year attributable to owners of the Parent		1,873	1,845
Earnings per ordinary share			
Basic		13.01	12.75
Fully diluted		13.01	12.72

Consolidated statement of changes in equity
For the year ended 31 December 2024

	Share capital	Share premium	Capital redemption reserve	Share based payment reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2024	146	120	50	20	7,597	7,933
Total comprehensive income for the year	-	-	-	-	1,873	1,873
Transactions with owners:						
Dividends (note 20)	-	-	-	-	(819)	(819)
Share options exercised	-	-	-	(17)	17	-
Own shares purchased	(10)	-	10	-	(980)	(980)
Total transactions with owners	(10)	-	10	(17)	(1,782)	(1,799)
At 31 December 2024	136	120	60	3	7,688	8,007

The consolidated statement of changes in equity for the prior year was as follows:

	Share capital	Share premium	Own shares held	Capital redemption reserve	Share based payment reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2023	146	120	(236)	50	122	5,993	6,195
Total comprehensive income for the year	-	-	-	-	-	1,845	1,845
Transactions with owners:							
Dividends (note 20)	-	-	-	-	-	(145)	(145)
Share options exercised	-	-	236	-	(102)	(96)	38
Total transactions with owners	-	-	236	-	(102)	(241)	(107)
At 31 December 2023	146	120	-	50	20	7,597	7,933

Consolidated statement of financial position

As at 31 December 2024

	2024	2023
	£'000	£'000
Assets		
Non-current		
Goodwill	132	132
Other intangible assets	93	-
Property, plant, and equipment	1,083	1,326
Right-of-use assets	1,941	2,196
Deferred tax asset	1	6
	3,250	3,660
Current		
Inventories	13	14
Trade and other receivables	17,462	17,422
Cash and cash equivalents	934	1,069
	18,409	18,505
Total assets	21,659	22,165
Liabilities		
Current		
Trade and other payables	(10,536)	(10,915)
Lease liabilities	(294)	(300)
Corporation tax	(614)	(522)
	(11,444)	(11,737)
Non-current liabilities		
Lease liabilities	(2,077)	(2,337)
Deferred tax liabilities	(131)	(158)
	(2,208)	(2,495)
Total liabilities	(13,652)	(14,232)
Net assets	8,007	7,933
Equity		
Share capital	136	146
Share premium	120	120
Capital redemption reserve	60	50
Share based payment reserve	3	20
Retained earnings	7,688	7,597
Total equity	8,007	7,933

Consolidated statement of cash flows

For the year ended 31 December 2024

	2024 £'000	2023 £'000
Cash flows from operating activities		
Profit before tax	2,545	2,535
Adjustments for:		
Depreciation, loss on disposal and amortisation	691	1,070
Finance expense	80	180
Change in inventories	1	1
Change in trade and other receivables	(40)	(2,034)
Change in trade and other payables	(379)	3,078
Cash inflow from operations	2,898	4,830
Income tax paid	(602)	-
Interest paid	(80)	(180)
Net cash inflow from operating activities	2,216	4,650
Cash flows from investing activities		
Purchase of property, plant and equipment	(213)	(437)
Net cash outflow from investing activities	(213)	(437)
Cash flows from financing activities		
Movement on invoice discounting facility	-	(3,103)
Movement on perpetual bank overdrafts	-	(29)
Dividend paid	(819)	(145)
Purchase of own shares	(980)	-
Payment of lease liabilities	(339)	(334)
Net cash (outflows) from financing activities	(2,138)	(3,611)
Net (decrease) / increase in cash and cash equivalents	(135)	602
Cash and cash equivalents at beginning of year	1,069	467
Cash and cash equivalents at end of year	934	1,069

1. Corporate information and basis of preparation

RTC Group Plc is a public limited company incorporated and domiciled in England whose shares are publicly traded.

The announcement of results of the Group for the year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on 21 March 2025.

The financial information included in this announcement has been prepared under the historical cost convention, as modified by measurement of share-based payments at fair value at date of grant**,** and in accordance with UK adopted international accounting standards ("IFRS") and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. This announcement does not itself however contain sufficient information to comply with IFRS.

The accounting policies adopted are consistent with those described in the annual financial statements for the year ended 31 December 2023. There have been no significant changes in the basis upon which estimates have been determined, compared to those applied at 31 December 2023 and no change in estimate has had a material effect on the current period.

2. Segment analysis

The business is split into three operating segments, with recruitment being split by geographical area. This reflects the integrated approach to the Group's recruitment business in the UK and independent delivery of overseas business. Three operating segments have therefore been agreed, based on the geography of the business unit: United Kingdom, International and Central Services.

This is consistent with the reporting for management purposes, with the Group organised into two reportable segments, Recruitment and Central Services, which are strategic business units that offer different products and services. They are managed separately because each segment has a different purpose within the Group and requires different technologies and marketing strategies.

Segment operating profit is the profit earned by each operating segment defined above and is the measure reported to the Group's Board, the Group's Chief Operating Decision Maker, for performance management and resource allocation purposes. The Group manages the trading performance of each segment by monitoring operating contribution and centrally manages working capital, financing, and equity.

Revenues within the recruitment operating segment have similar economic characteristics and share a majority of the aggregation criteria set out in IFRS 8:12 in particular the nature of the products and services, the type or class of customers, the country in which the service is delivered, and the processes utilised to deliver the services and the regulatory environment for the services.

The purpose of the Central Services segment is to provide all central services for the Group including the Group's head office facilities in Derby. It also generates income from the Derby site including rental of excess space and hotel and conferencing facilities.

Revenue, gross profit, and operating profit delivery by geography:

	2024				2023			
	UK Recruitment	UK Central Services	Inter-national Recruitment	Total Group	UK Recruitment	UK Central Services	Inter-national Recruitment	Total Group
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	88,939	2,225	5,598	96,762	91,187	2,321	5,273	98,781
Cost of sales	(73,332)	(1,096)	(4,403)	(78,831)	(75,866)	(1,110)	(4,361)	(81,337)
Gross profit	15,607	1,129	1,195	17,931	15,321	1,211	912	17,444
Administrative expenses	(10,405)	(3,755)	(497)	(14,657)	(9,647)	(3,587)	(448)	(13,682)
Amortisation of intangibles	(47)	-	-	(47)	(28)	-	-	(28)
Depreciation of right-of-use assets	(79)	(249)	-	(328)	(140)	(246)	-	(386)
Depreciation	(120)	(153)	(1)	(274)	(478)	(153)	(2)	(633)
Total administrative expenses	(10,651)	(4,157)	(498)	(15,306)	(10,293)	(3,986)	(450)	(14,729)
Profit from operations	4,956	(3,028)	697	2,625	5,028	(2,775)	462	2,715

The revenue reported above is generated from continuing operations with external customers. There were no sales between segments in the year (2023: Nil). For segment reporting purposes in this note, revenue is analysed by the geographical location in which the services are delivered.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment, without allocation of Group administration costs or finance costs.

During 2024, two customers in the UK segment contributed 10% or more of total revenue being £28.0m (2023: £28.0m) and £11.4m (2023: £9.7m) respectively, and one customer in the International segment also contributed 10% or more of total revenue being £4.7m (2023: £5.2m).

Recruitment revenues are generated from permanent and temporary recruitment and long-term agreements for labour supply. Within Central Services revenues are generated from the rental of excess space and hotel and conference facilities at the Derby site, described as Other below.

Revenue and gross profit by service classification for management purposes:

	Revenue		Gross profit	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Permanent placements	2,823	2,574	2,823	2,574
Temporary placements	91,714	93,886	13,979	13,659
Others	2,225	2,321	1,129	1,211
	96,762	98,781	17,931	17,444

All operations are continuing. All assets and liabilities are in the UK.

3. Tax expense

Continuing operations	2024 £'000	2023 £'000
Current tax		
UK corporation tax	714	532
Adjustment in respect of previous periods	(20)	(10)
Deferred tax		
Origination and reversal of temporary differences	(22)	168
Tax	672	690

Factors affecting the tax expense
The tax charge assessed for the year is higher than (2023: higher than) would be expected by multiplying the profit by the standard rate of corporation tax in the UK of 25% (2023: 23.5%). The differences are explained below:

Factors affecting tax expense	2024 £'000	2023 £'000
Result for the year before tax	2,545	2,535
Profit multiplied by standard rate of tax of 25% (2023: 23.5%)	636	596
Non-deductible expenses	56	66
Effect of change in tax rate	-	38
Adjustment in respect of previous periods	(20)	(10)
	672	690

Factors that may affect future tax charges
Deferred tax has been recognised to the extent that it will unwind at the currently enacted rate of 25%.

4. Dividends

	2024 £'000	2023 £'000
Interim dividend in respect of 2024 of 1.1p per share (2023: 1.0p).	161	145
Final dividend in respect of 2023 of 4.5p per share (2023: Nil)	658	-
Total dividends paid in period	819	145

A final dividend of £680,645 (2023: £657,912) has been proposed but has not been accrued within these financial statements. This represents a payment of 5.0p (2023: 4.5p) per share.

5. Report and accounts

The above financial information does not constitute the Company's statutory accounts for the years ended 31 December 2024 or 2023 but is derived from those accounts. The auditor has reported on these accounts; their report was unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain statements under s498 (2) or (3) Companies Act 2006 or equivalent preceding legislation. The statutory accounts for 2023 have been filed with the Registrar of Companies.

Full audited accounts of RTC Group Plc for the year ended 31 December 2024 will be made available on the Company's website at www.rtcgroupplc.co.uk later today and will be dispatched to shareholders on 16 April 2025.

The Company's Annual General meeting will be held at 12noon on 21 May 2025 at the Derby Conference Centre, London Road, Derby, DE24 8UX.