

eFinancialCareers Limited

Directors report and financial statements  
for the year ended 31 December 2007

Registered number 04123257

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## **Directors and advisors**

### **Directors**

|                |                            |
|----------------|----------------------------|
| John Benson    | (Chief Executive Director) |
| Michael Durney | (Finance Director)         |
| James Bennett  | (Executive Director)       |
| Scot Melland   | (Executive Director)       |
| Brian Campbell | (Executive Director)       |

### **Secretary**

Brian Campbell

### **Auditors**

Deloitte & Touche LLP  
Chartered Accountants  
London

### **Solicitors**

White & Case  
5 Old Broad Street  
London  
EC2N 1DW

### **Bankers**

National Westminster Bank  
180 Brompton Road  
London  
SW3 1HL

### **Registered Office**

3<sup>rd</sup> Floor Tabernacle Court  
16-28 Tabernacle Street  
London  
EC2A 4DD

### **Registered Number**

04123257

## **eFinancialCareers Limited**

### **Directors' report for the year ended 31 December 2007**

The Directors present their report and the audited financial statements for the year ended 31 December 2007

#### **Principal activities**

The Company's principal activity is online recruitment

#### **Business review**

The Company provides Capital Markets and Financial Services recruiters with access, through job postings and resume database access, to a targeted global community of financial professionals

In 2007 we continued to penetrate the opportunities across our existing markets and in addition launched <http://www.efinancialcareers-gulf.com> in January to cover the Gulf region taking the total number of geographic markets we cover to 15. In addition we opened an office in Singapore to allow us to further exploit opportunities in the Asia Pacific region

The results for the year are set out in the Company profit and loss account

The Directors do not propose any payment of a dividend in respect of 2007 (2006: £nil)

Both the level of business and the year-end financial position were satisfactory given the Company's current level of operations. Turnover for the year ended 31 December 2007 was £13,803,067 (2006: £8,426,308) and operating profit was £5,333,421 (2006: £939,582)

The Directors believe that the current level of activity will continue for the foreseeable future

#### **Key performance indicators**

The Directors manage the business using key performance indicators set out below

- Customer growth
- Customer yield
- Job seeker audience growth(unique users)
- Total and local applications per job

## **eFinancialCareers Limited**

### **Directors' report for the year ended 31 December 2007 (continued)**

#### **Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks

The key business risks affecting the Company are set out below

##### *Competition*

The Company operates in a highly competitive business sector and innovative environment. The Company competes with a number of online recruitment companies in each of its markets around the world. In addition, new innovations in the internet environment are likely to present new types of competition in the future. The Company seeks to maintain its competitive advantage through

- constant product development to reflect the expectations of the market,
- high levels of customer services, and
- dynamic sales and marketing activity

##### *Market risk*

As a significant portion of revenues crystallise from financial institutions and recruitment consultancies within the UK wholesale financial markets. A major economic downturn in those markets could have an adverse impact on the Company's trading position. The Company seeks to manage its market risk by

- increasing operations in emerging markets and reducing dependency on UK & US markets, and
- introducing new products in areas such as professional training and graduate training

##### *Retention of key staff members*

The resignation of key individuals and the inability to recruit suitable replacements with the right skills and experience could adversely impact on the Company's trading. To manage this risk the Company has share option schemes in place for senior management and key staff.

##### *Risk of libel*

Libel action could result in damage to the Company's reputation and finances. The Company manages this risk through libel insurance.

##### *Financial risk management*

The Company's operations expose it to levels of financial risk that include the effects of credit risk. The company has no debt and has sufficient cash reserves to fund current and future operations and is, therefore, not subject to significant exposure to interest rate risk or liquidity risk. Given the past record of relatively low bad debt levels the Directors consider credit risk to be low.

## **eFinancialCareers Limited**

### **Directors' report for the year ended 31 December 2007 (continued)**

#### **Principal risks and uncertainties (continued)**

##### *Currency risk*

As our Company seeks to manage our market risk by diversifying operations outside the UK, we run the risk of foreign currency fluctuations. The Company seeks to manage its currency risk by

- Establishing foreign currency accounts to reduce the necessity of repatriating receipts at times when exchange rates may not be favourable to the Company, and
- Establishing a treasury deposit account to receive interest on our largest foreign currency funds

##### *Technology risk*

The Company runs the risk of an adverse impact on the business should a major disruption occur to its technology systems and/or internet platforms. The Company seeks to manage its technology risk by

- Ensuring high levels of redundancy in its technology and web systems,
- Full back up and recovery, and
- Contracting a managed hosting solution with a high service level agreement

Given the size of the Company, the Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The policies set by the Board of Directors are implemented by the Company's finance department.

#### **Directors and their interests**

The following Directors held office throughout the year and there have been no changes since the year end 31 December 2007 unless otherwise noted

John Benson  
James Bennett  
Scot Melland  
Michael Durney  
Brian Campbell

## **eFinancialCareers Limited**

### **Directors' report for the year ended 31 December 2007 (continued)**

#### **Statement on information given to auditors**

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

- 1) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- 2) the Director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

#### **Auditors**

A resolution to reappoint Deloitte & Touche LLP as auditors of the Company will be proposed at the annual general meeting

#### **By order of the Board**



M Durney  
Director

20/6/2008

## **eFinancialCareers Limited**

### **Statement of Directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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 proper accounting records that 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 1985. 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.



## **Independent auditor's report to the members of eFinancialCareers Limited**

We have audited the financial statements of eFinancialCareers Limited for the year ended 31 December 2007 which comprises the profit and loss account, the balance sheet and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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**

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of Directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' report is consistent with the financial statements. In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Independent auditor's report to the members of eFinancialCareers Limited (continued)**

### **Opinion**

#### **In our opinion**

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its retained profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' report is consistent with the financial statements

*Deloitte & Touche LLP*

**Deloitte and Touche LLP**  
Chartered Accountants and Registered Auditors  
London  
United Kingdom

*20 June* 2008

## eFinancialCareers Limited

### Profit and loss account for the year ended 31 December 2007

|  |              | Year<br>ended<br>31 December<br>2007<br>£ '000 | Year<br>ended<br>31 December<br>2006<br>£ '000 |
|--|--------------|--|--|
|  | <i>Notes</i> |  |  |
| Turnover   | 2            | 13,803   | 8,426  |
| Staff costs  | 5            | (4,552)  | (4,794)  |
| Depreciation and amortisation of goodwill            |              | (277)  | (188)  |
| Other operating charges                              |              | (3,641)  | (2,504)  |
| Operating profit                                     |              | 5,333  | 940  |
| Exceptional item - Capital enhancement scheme        |              | -  | (1,035)  |
| Interest receivable and similar income               |              | 104  | 8  |
| Profit/(loss) on ordinary activities before taxation | 3            | 5,438  | (87)   |
| Tax (charge)/credit on profit on ordinary activities | 6            | (1,908)  | 271  |
| Profit for the financial year                        |              | 3,529  | 184  |
| Dividends paid                                       |              | -  | (1,858)  |
| Retained profit/(loss) for the year                  |              | 3,529  | (1,674)  |

All above results relate to continuing operations

There are no recognised gains or losses other than those shown above in the profit and loss account, accordingly no separate statements is prepared. There are no material differences between the historical cost profits and those shown above.

# eFinancialCareers Limited

## Balance sheet as at 31 December 2007

|   | Notes | 2007<br>£ '000 | 2006<br>£ '000 |
|---|-------|----------------|----------------|
| <b>Fixed Assets</b>                                   |       |                |                |
| Intangible fixed assets                               | 7     | 2,794          | 2,958          |
| Investments   | 9     | 1              | 1              |
| Tangible fixed assets                                 | 8     | <u>339</u>     | <u>129</u>     |
|   |       | <u>3,134</u>   | <u>3,087</u>   |
| <b>Current assets</b>                                 |       |                |                |
| Debtors   | 10    | 6,791          | 3,655          |
| Cash at bank and in hand                              |       | 5,426          | 1,603          |
|   |       | <u>12,217</u>  | <u>5,258</u>   |
| <b>Creditors: amounts falling due within one year</b> | 11    | <u>(6,681)</u> | <u>(3,412)</u> |
| <b>Net Current Assets</b>                             |       | <u>5,536</u>   | <u>1,847</u>   |
| <b>Net Assets</b>                                     |       | <u>8,670</u>   | <u>4,934</u>   |
| <b>Capital and reserves</b>                           |       |                |                |
| Called up share capital                               | 12    | 5,500          | 5,500          |
| Profit and loss account                               | 13    | <u>3,170</u>   | <u>(566)</u>   |
| <b>Shareholders' funds</b>                            | 14    | <u>8,670</u>   | <u>4,934</u>   |

Approved by the Board on 20/6/2008 and signed on its behalf by

M Durney  
Director

Benson  
Director

## eFinancialCareers Limited

### Notes to the financial statements for the year ended 31 December 2007 (continued)

#### 3 Profit/(loss) on ordinary activities before taxation

Profit/(loss) on ordinary activities before taxation is stated after charging

|   | year ended<br>31 December<br>2007<br>£ '000 | year ended<br>31 December<br>2006<br>£ '000 |
|---|---|---|
| Depreciation of tangible fixed assets   | 114   | 24  |
| Amortisation of goodwill  | 164   | 164   |
| Auditors' remuneration  |   |   |
| - Fees payable to the Company's auditors for the audit of the Company's annual accounts | 14  | 14  |
| - Tax services  | 11  | 6   |
|   | <hr/>                                       | <hr/>                                       |

#### 4 Directors' emoluments

|  | year ended<br>31 December<br>2007<br>£ '000 | year ended<br>31 December<br>2006<br>£ '000 |
|--|---|---|
| Emoluments   | 614   | 1,324                                       |
| Amounts receivable (other than shares and share options) under long-term incentive schemes | -   | 192   |
|  | <hr/>                                       | <hr/>                                       |
|  | 614   | 1,516                                       |
| <b>Highest paid director</b>   |   |   |
| Emoluments   | 259   | 1,066                                       |
| Amounts receivable (other than shares and share options) under long-term incentive schemes | -   | 71  |
|  | <hr/>                                       | <hr/>                                       |
|  | 259   | 1,137                                       |

There are no Directors for whom retirement benefits are accruing under money purchase pension schemes (2006 nil)

## **eFinancialCareers Limited**

### **Notes to the financial statements for the year ended 31 December 2007 (continued)**

#### **5 Employee information**

Staff costs (including Directors) are as follows

|                       | year ended<br>31 December<br>2007<br>£ '000 | year ended<br>31 December<br>2006<br>£ '000 |
|-----------------------|---|---|
| Wages and salaries    | 3,942                                       | 3,725                                       |
| Social security costs | 403   | 484   |
| Share option charge   | 207   | 585   |
|                       | <u>4,551</u>                                | <u>4,795</u>                                |

The average number of persons (including Directors) employed by the Company during the year was 66 people (2006 58)

#### **6 Tax on profit/(loss) on ordinary activities**

a) Analysis of tax charge/(credit) for the year

|   | year ended<br>31 December<br>2007<br>£ '000 | year ended<br>31 December<br>2006<br>£ '000 |
|---|---|---|
| <b>Current tax:</b>   |   |   |
| UK Corporation tax on profit of the period                  | <u>1,469</u>                                | <u>-</u>                                    |
| <b>Deferred tax:</b>  |   |   |
| Timing difference origination and reversal                  | 245   | (247)                                       |
| Prior year adjustment                                       | 194   | (24)  |
| <b>Tax charge/(credit) on profit on ordinary activities</b> | <u>1,908</u>                                | <u>(271)</u>                                |

# eFinancialCareers Limited

## Notes to the financial statements for the year ended 31 December 2007 (continued)

### 6 Tax on profit/(loss) on ordinary activities (continued)

#### b) Factors affecting tax charge for the year

|   | year ended<br>31 December<br>2007<br>£ '000 | year ended<br>31 December<br>2006<br>£ '000 |
|---|---|---|
| Company profit/(loss) on ordinary activities before tax   | 5,438                                       | (87)  |
| Tax charge/(credit) on Company profit/(loss) on ordinary activities before tax at UK Corporation tax rate of 30% (2006 30%) | 1,631                                       | (26)  |
| Employee share option deduction   | (8)   | (277)                                       |
| Expenses not deductible for tax purposes  | 66  |   |
| Capital allowances in excess of depreciation  | 6   | 7   |
| Short term timing differences   | 20  |   |
| Goodwill amortised not eligible for tax purposes  | 49  | 49  |
| Transfer pricing adjustments  | 6   |   |
| Prior periods tax losses (utilised)/carried forward   | (302)                                       | 247   |
| Total tax charge for the year   | 1,469                                       | -   |

#### c) Deferred tax asset

|                                     | year ended<br>31 December<br>2007<br>£ '000 | year ended<br>31 December<br>2006<br>£ '000 |
|-------------------------------------|---|---|
| Accelerated capital allowances      | (11)  | -   |
| Other short term timing differences | (46)  | -   |
| Tax losses                          | -   | (497)                                       |
| Provision for deferred taxation     | (57)  | (497)                                       |
| As at 1 January 2007                | (497)                                       |   |
| Charge to profit and loss account   | 440   |   |
| As at 31 December 2007              | (57)  |   |

# eFinancialCareers Limited

## Notes to the financial statements for the year ended 31 December 2007 (continued)

### 7 Intangible fixed assets

The goodwill arises from eFinancialCareers Limited acquiring eFinancialNews Limited's (the Company's ultimate parent at the point of transfer) online recruitment business on 1 January 2005

|                               | £ '000       |
|-------------------------------|--------------|
| <b>Goodwill</b>               |              |
| <b>Cost</b>                   |              |
| As at 1 January 2007          | 3,122        |
| Additions                     | -            |
| <b>As at 31 December 2007</b> | <b>3,122</b> |
| <b>Amortisation</b>           |              |
| As at 1 January 2007          | 164          |
| Amortised during the year     | 164          |
| <b>As at 31 December 2007</b> | <b>328</b>   |
| <b>Net book value</b>         |              |
| <b>As at 31 December 2007</b> | <b>2,794</b> |
| As at 1 January 2007          | 2,958        |

### 8 Tangible fixed assets

|                               | Leasehold<br>improvements<br>£ '000 | Computer<br>equipment<br>£ '000 | Office<br>equipment<br>£ '000 | Total<br>£ '000 |
|-------------------------------|-------------------------------------|---------------------------------|-------------------------------|-----------------|
| <b>Cost or valuation</b>      |                                     |                                 |                               |                 |
| As at 1 January 2007          | 37                                  | 100                             | 27                            | 164             |
| Additions                     | 131                                 | 212                             | 15                            | 358             |
| Disposals                     | (42)                                | (37)                            | (2)                           | (81)            |
| <b>As at 31 December 2007</b> | <b>126</b>                          | <b>275</b>                      | <b>40</b>                     | <b>441</b>      |
| <b>Depreciation</b>           |                                     |                                 |                               |                 |
| As at 1 January 2007          | 2                                   | 31                              | 1                             | 34              |
| Charge for the year           | 21                                  | 85                              | 8                             | 114             |
| Disposals                     | (15)                                | (31)                            | -                             | (46)            |
| <b>As at 31 December 2007</b> | <b>8</b>                            | <b>85</b>                       | <b>9</b>                      | <b>102</b>      |
| <b>Net book value</b>         |                                     |                                 |                               |                 |
| <b>As at 31 December 2007</b> | <b>118</b>                          | <b>190</b>                      | <b>31</b>                     | <b>339</b>      |
| As at 31 December 2006        | 35                                  | 68                              | 26                            | 129             |



# **eFinancialCareers Limited**

## **Notes to the financial statements for the year ended 31 December 2007**

### **1 Accounting policies**

#### **Accounting convention**

The financial statements are prepared under the historical cost convention in accordance with applicable law and accounting standards and have been applied consistently in the current and preceding years

#### **Basis of preparation**

The Company has taken advantage of an exemption to prepare group accounts on the basis that it is a wholly-owned subsidiary of eFinancialGroup Limited, a company registered in the United Kingdom

The Company has taken advantage of Financial Reporting Standard (FRS) 1 '*Cash Flow Statements*' not to prepare a cash flow statement as eFinancialCareers Limited is included in the consolidated cash flow statement of Dice Holdings, Inc , its ultimate holding company

The Company has also taken advantage of exemptions in FRS 8 '*Related Party Transactions*' As a 100% owned subsidiary of eFinancialGroup Limited, the Company is not required to disclose transactions and balances with entities that are part of the wholly-owned group

#### **Turnover**

Turnover, which is stated net of VAT and trade discounts, represents gross amounts invoiced to clients in respect of job advertisements and other related services

Revenue is recognised in relation to the proportion in which services are provided

#### **Fixed asset investments**

Fixed asset investments are stated at cost less provision required for impairment in value

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation Depreciation is provided at rates calculated to write off the costs less estimated residual value of each asset over its expected useful life, as follows

|                        |  |
|------------------------|--|
| Leasehold improvements | Straight-line over the life of the lease |
| Computer equipment     | 3 years straight-line                    |
| Office equipment       | 3 - 5 years straight-line                |

#### **Goodwill**

Goodwill is calculated as the difference between the purchase consideration and the aggregate of net assets (or liabilities) of separable assets acquired on a fair value basis and is capitalised and amortised on a straight-line basis over its estimated useful life Goodwill arising on the acquisition of the online recruitment business (trading as eFinancialCareers) is being amortised over 20 years

#### **Share based payments**

The Company has adopted FRS 20 Share based Payments in the year ended 31 December 2006 Further details are given in note 15 to the accounts The Black-Scholes option pricing model was used to calculate the share based payments

## eFinancialCareers Limited

### Notes to the financial statements for the year ended 31 December 2007 (continued)

#### 1. Accounting policies (continued)

##### Taxation

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

Deferred taxation is accounted for in line with FRS 19 "*Deferred Taxation*", and is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred

Deferred tax balances are not discounted

##### Foreign Currency

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

##### Pension Costs

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. There are no differences between contributions payable in the year and contributions actually paid during the year

##### Leases

Office rent under an operating lease is charged on a straight-line basis up to the first review period (five years) over the lease term. Payments are not made on such a basis where the Company received a benefit of four months rent free period, however, the benefit is similarly spread on a straight line basis up to the first review period

#### 2 Turnover

An analysis of turnover by destination is shown below

|                        | year ended<br>31 December<br>2007<br>£ '000 | year ended<br>31 December<br>2006<br>£ '000 |
|------------------------|---|---|
| United Kingdom         | 9,920                                       | 6,631                                       |
| Rest of European Union | 3,658                                       | 1,530                                       |
| Asia Pacific           | 225   | 265   |
|                        | <u>13,803</u>                               | <u>8,426</u>                                |

## eFinancialCareers Limited

### Notes to the financial statements for the year ended 31 December 2007 (continued)

#### 9 Investments

The Company held more than 10% of the share capital of the following companies at 31 December 2007

|                           | Country of<br>incorporation<br>or registration | Class    | Shares<br>held | Nature of business |
|---------------------------|--|----------|----------------|--------------------|
| Hay Holdings Limited      | British Virgin Isles                           | Ordinary | 100%           | Dormant            |
| eFinancialCareers Pte Ltd | Singapore                                      | Ordinary | 100%           | Online recruitment |
| eFinancialCareers Pty Ltd | Australia                                      | Ordinary | 100%           | Online recruitment |

#### 10 Debtors

|   | 2007<br>£'000 | 2006<br>£'000 |
|---|---------------|---------------|
| Trade debtors                             | 4,385         | 2,399         |
| Other debtors                             | 68            | 41            |
| Deferred tax asset                        | 57            | 497           |
| Prepayments and accrued income            | 206           | 103           |
| Amounts owed by fellow group undertakings | 2,076         | 615           |
|   | <b>6,791</b>  | <b>3,655</b>  |

#### 11 Creditors: amounts falling due within one year

|   | 2007<br>£ '000 | 2006<br>£ '000 |
|---|----------------|----------------|
| Trade creditors                           | 326            | 321            |
| Other taxation and social security        | 433            | 441            |
| Amounts owed to fellow group undertakings | 606            | 346            |
| Accruals and deferred income              | 3,848          | 2,303          |
| Corporation tax payable                   | 1,469          | -              |
|   | <b>6,681</b>   | <b>3,412</b>   |

## eFinancialCareers Limited

### Notes to the financial statements for the year ended 31 December 2007 (continued)

#### 12 Share capital

|  | 2007<br>£ '000 | 2006<br>£ '000 |
|--|----------------|----------------|
| <b>Authorised</b>  |                |                |
| 6,000,000 ordinary shares of £1 each (2006 6,000,000 ordinary shares at £1 each) | <u>6,000</u>   | <u>6,000</u>   |
| <b>Allotted, called up and fully paid</b>  |                |                |
| 5,500,100 ordinary shares at £1 each (2006 5,500,100 ordinary shares at £1 each) | <u>5,500</u>   | <u>5,500</u>   |

#### 13 Profit and loss account

|                                    | Profit and<br>loss account<br>£ '000 |
|------------------------------------|--------------------------------------|
| As at 1 January 2007               | (566)                                |
| Share option charge for the period | 207                                  |
| Retained profit for the year       | 3,529                                |
| <b>As at 31 December 2007</b>      | <u><b>3,170</b></u>                  |

#### 14 Reconciliation of movements in shareholders' funds

|                                    | £ '000              |
|------------------------------------|---------------------|
| As at 1 January 2007               | 4,934               |
| Issue of ordinary share capital    | -                   |
| Retained profit for the year       | 3,529               |
| Share option charge for the period | 207                 |
| <b>As at 31 December 2007</b>      | <u><b>8,670</b></u> |

#### 15 Share based payments

##### Equity-settled share option scheme

Dice Holdings, Inc, our ultimate parent company issued share options to certain employees of the Company. Options are exercisable at a price based on the stock market's valuation of Dice Holdings, Inc shares as at the grant date. The vesting period is four years with options exercisable at 25% after the first year and at an incremental percentage up to 100% on the fourth year. If the options remain unexercised after a period of ten years from the date of grant the options expire.

## eFinancialCareers Limited

### Notes to the financial statements for the year ended 31 December 2007 (continued)

#### 15 Share based payments (continued)

Details of the share options outstanding during the year are as follows

|   | 2007                          |   | 2006                          |   |
|---|-------------------------------|---|-------------------------------|---|
|   | Number of<br>share<br>options | Weighted<br>average<br>exercise<br>price<br>£ | Number of<br>share<br>options | Weighted<br>average<br>exercise<br>price<br>£ |
| <b>Dice Holdings, Inc share options</b> |                               |   |                               |   |
| Outstanding at the beginning of period  | 901,255                       | 2.09  | -                             | -   |
| Granted during the period               | 13,830                        | 3.44  | 901,255                       | 2.09  |
| Exercised during the period             | (8,643)                       | 2.09  | -                             | -   |
| Forfeited during the period             | (159,045)                     | 2.09  | -                             | -   |
| Outstanding at the end of the period    | 747,397                       | 2.11  | 901,255                       | 2.09  |
| Exercisable at the end of the period    | 176,910                       | 2.09  | -                             | -   |

The Company granted 901,255 options on 01 November 2006 at an exercise price of £2.09, and 9,220 options on 27 March 2007 at an exercise price of £3.44

The aggregate fair value of the options granted in March 2007 is £31,736. The options outstanding at 31 December 2007 has a weighted average exercise price of £2.11, and a weighted average remaining contractual life of 2 years 8 months

The inputs into the Black-Scholes option pricing model are as follows

|                                     | 2007  | 2006  |
|-------------------------------------|-------|-------|
| Weighted average share price (£)    | 3.44  | 3.08  |
| Weighted average exercise price (£) | 3.44  | 3.08  |
| Expected volatility                 | 37.8% | 36.6% |
| Expected life in years              | 4     | 4     |
| Risk-free rate                      | 4.51% | 4.61% |
| Expected dividends                  | 0.0%  | 0.0%  |

Dice Holdings, Inc.'s stock was not publicly traded during the periods in which the options were granted, the expected volatility was determined by using the average historic volatility rate for a similar entity. Dice Holdings Inc, the Company's ultimate parent, had their shares split at 46:1 during the IPO process in July 2007. The 2006 numbers have been adjusted by the above ratio to obtain comparable numbers.

The group recognised total expenses of £206,522 and £585,000 with respect to share-based payment transactions in 2007 and 2006 respectively.

## **eFinancialCareers Limited**

### **Notes to the financial statements for the year ended 31 December 2007 (continued)**

#### **16 Related party transactions**

The Company has taken advantage of the exemptions within FRS 8 related party transactions from disclosure of transactions with fellow group undertakings

#### **17 Financial commitments**

At 31 December 2006 the Company had annual commitments under non-cancellable operating leases as follows

|                            | <b>Land and buildings</b> |               |
|----------------------------|---------------------------|---------------|
|                            | <b>2007</b>               | <b>2006</b>   |
|                            | <b>£ '000</b>             | <b>£ '000</b> |
| <b>Expiry date:</b>        |                           |               |
| Less than two years        | -                         | 10            |
| Between two and five years | 952                       | 58            |

#### **18 Ultimate Parent**

The Company's immediate parent is eFinancialGroup Limited, a company registered in the UK. The Company's ultimate parent is Dice Holdings Inc, a company registered in USA. Copies of Dice Holdings, Inc's accounts can be obtained from Dice Inc, 3 Park Avenue, New York, NY10016, USA.