
MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

COMPANY INFORMATION

DIRECTORS	Kelvin Stagg Geoffroy de Beaucorps Patrick Hollard Jeremy Tatham Kaye Maguire
COMPANY SECRETARY	Kaye Maguire
REGISTERED NUMBER	04125211
REGISTERED OFFICE	Page House 1 Dashwood Lang Road The Bourne Business Park Addlestone Surrey KT15 2QW

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

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MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors present the Strategic Report of Michael Page International Southern Europe Limited (the "Company") for the year ended 31 December 2018.

Principal activity and business review

The principal activity is that of a holding company. The Company's only income was from dividends on its shareholdings in other group companies, which vary year to year.

The profit for the year, after taxation, amounted to £2,106k (2017 - £8,374k). The profit for the year is lower than 2017 principally due to decreased intercompany dividend income.

Principal Risks and Uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of PageGroup plc ("the Group"), which is the Company's ultimate holding company, and are not managed separately. The principal risks and uncertainties of the Group, which include those of the Company, are as follows:

People attraction, development and retention

Retention of senior and high performing staff is key to the Company's strategy of organic growth. Failure of such retention may adversely affect the Company's operating performance and financial results.

Shift in business model

The emergence of new technology platforms including, for example, the growing use of social media, may lead to increased competition and pressure on margins which may adversely affect the Company's results if it is unable to respond effectively.

Macro-economic exposure

Recruitment activity is driven largely by economic cycles and the levels of business confidence. Businesses are less likely to need new hires and employees are less likely to move jobs when they do not have confidence in the market so leading to reduced recruitment activity.

A substantial proportion of the Company's profit arises from fees that are contingent upon the successful placement of a candidate in a position. If the client cancels the assignment at any stage in the process, the Company receives no remuneration.

Foreign exchange – translation risk

Material changes in the strength of the sterling against the functional currencies of other group companies could have an effect on the reported sterling profits in the financial statements.

PageGroup brands and reputation

Our brands are material assets of the Company and maintaining their reputation is key to continued success.

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

Information Systems - technology

Our systems are an integral part of our operations. Loss of systems capability would have a high impact on our performance, impacting the quality of service we provide and our ability to deliver our financial performance.

System transformation and change

The Company is in the process of implementing a new suite of IT applications. This has now been successfully delivered to all of our users. We have a working application suitable for our business which will deliver benefits on a global basis. There are still some residual risks around timing. As our business grows we may be unable to support our front end activities in an efficient and effective manner.

Data security

Confidential, sensitive and personal data is held across the Company. Failure to handle this data properly could expose the Company to financial penalties and reputational risk.

Fiscal and legal compliance

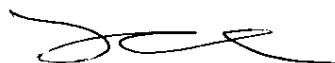
Any non-compliance with client contract requirements and legislative or regulatory requirements could have an adverse effect on the Company's financial results.

Financial management and control

The Company has adopted the following risk management policies that seek to mitigate its exposure to financial risk.

Financial assets and liabilities that expose the Company to financial risk consist principally of investments, intercompany debtors and intercompany creditors. The financial risks associated with these financial instruments are considered minimal. The recoverability of investments is assessed at year end and when indicators of impairments arise. The intercompany debtors and creditors are recoverable within the enlarged Michael Page group.

This Strategic Report was approved by the Board on 20 September 2019 and signed on its behalf.



Kaye Maguire
Director

Company Number 04125211 registered in England and Wales

Registered office:
Page House
1 Dashwood Lang Road
The Bourne Business Park
Addlestone
Surrey
KT15 2QW

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors of the Company present their report and the financial statements for the year ended 31 December 2018.

Directors

The Directors who served during the year and to the date of approving the financial statements were:

Kelvin Stagg
Olivier Lemaitre (resigned 26 September 2018)
Geoffroy de Beaucorps
Elaine Marriner (resigned 10 August 2018)
Patrick Hollard
Jeremy Tatham (appointed 10 August 2018)
Kaye Maguire (appointed December 2018)

Dividend

During the year the Directors approved an interim dividend of £3,094k (2017 - £9,653k). The Directors do not recommend a final dividend.

Future developments

The Company acts as a holding company and anticipates operating at a similar level in the future.

Directors' and officers' liability

The Company has made qualifying third party indemnity provision for the benefit of its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision was in place during the year and remains in force as at the date of approving this Directors' Report.

Going concern

The Company's business activities, together with the factors likely to affect its principal risks and uncertainties are described in the Strategic Report on pages 1-2.

The Company is in a net current liabilities position at the year-end; however, PageGroup plc has confirmed they will continue to provide the financial support to enable all obligations to be met as necessary. Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report.

Financial risk management

Please refer to the Strategic Report for discussion of the Financial Risk Management.

Audit Exemption

Under Section 479C of the Companies Act 2006 the Directors have taken the exemption from audit for the year ended 31 December 2018 for these statutory accounts. This is because the ultimate parent company, PageGroup Plc (company number: 03310225) has guaranteed all outstanding liabilities to which this subsidiary company is subject at 31 December 2018 until they are satisfied in full.

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, 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 UK 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 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 accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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.



Kaye Maguire
Director

Date: 20 September 2019

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 £000	2017 £000
Administrative expenses		<u>(988)</u>	<u>(1,279)</u>
OPERATING LOSS	2	(988)	(1,279)
Income from shares in group undertakings		3,094	9,653
PROFIT BEFORE TAXATION		2,106	8,374
Taxation	4	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		2,106	8,374
Retained profits at 1 January		1,248	2,527
Dividends paid	5	<u>(3,094)</u>	<u>(9,653)</u>
RETAINED PROFITS AT 31 DECEMBER		<u>260</u>	<u>1,248</u>

All amounts relate to continuing operations.

The notes on pages 7 to 15 form part of these financial statements.

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2018**

	Notes	2018 £000	2018 £000	2017 £000	2017 £000
FIXED ASSETS					
Investments	6		98,626		98,565
CURRENT ASSETS					
Cash at bank and in hand		-		1,652	
Debtors	7	6,023		6,018	
		<u>6,023</u>		<u>7,670</u>	
CREDITORS: amounts falling due within one year	8	<u>(104,389)</u>		<u>(104,987)</u>	
NET CURRENT LIABILITIES			<u>(98,366)</u>		<u>(97,317)</u>
NET ASSETS			<u>260</u>		<u>1,248</u>
CAPITAL AND RESERVES					
Called up share capital	9		-		-
Profit and loss account			<u>260</u>		<u>1,248</u>
SHAREHOLDERS' FUNDS			<u>260</u>		<u>1,248</u>

The financial statements of Michael Page International Southern Europe Limited (Company Number 04125211) set out on pages 5 to 15 were approved by the Board of Directors and authorised for issue on September 2019.

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.



Kaye Maguire
Director

Date: 20 September 2019

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have all been applied consistently throughout the year and the preceding year.

1.1 Statement of Compliance

Michael Page International Southern Europe Limited is a limited liability company incorporated in England. The registered office is Page House, 1 Dashwood Lang Road, The Bourne Business Park, Addlestone, Surrey, KT15 2QW.

The company's financial statements have been prepared in accordance with FRS 102 as it applies to the financial statements of the company for the year ended 31 December 2018.

The principal accounting policies are summarised below. The accounting policies have all been applied consistently throughout the year and the preceding year.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102.

The functional and presentational currency of the financial statements is GBP. All figures have been rounded to £'000 as stated within the headers to the primary financial statements and related notes.

The Company is itself a wholly owned subsidiary company whose results are consolidated in the results of its ultimate parent, which are publicly available. The Company is therefore exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

Disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 102:

- (a) reconciliation of the number of shares outstanding at the beginning and end of the period. [Section 4 of FRS 102, paragraph 4.12(a)(iv)];
- (b) the requirement to prepare a statement of cash flows. [Section 7 of FRS 102, paragraph 3.17(d)];
- (c) certain financial instrument disclosures under Sections 11 and 12;
- (d) the non-disclosure of key management personnel compensation in total. [Section 33 of FRS 102, paragraph 33.7]

1.3 Investments

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

1.4 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Profit and Loss account.

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.5 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously

1.6 Going Concern

The Company is in a net current liabilities position at the year-end; however, PageGroup plc has confirmed they will continue to provide the financial support to enable all obligations to be met as necessary. Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report.

1.7 Income from shares in group undertakings

Income from shares in group undertakings is recognised when the Company's right to receive payment is established.

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.8 Financial Assets and Liabilities

(i) Financial assets

Basic financial assets comprise investments and amounts owed by group undertakings and are initially recognised at transaction price. Such assets are subsequently carried at amortised cost. At 31 December 2017 and 2018, the Company had only financial assets classified as basic financial instruments.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities comprise amounts owed to group undertakings and are initially recognised at transaction price. Subsequently, they are measured at amortised cost. At 31 December 2017 and 2018, the Company had only financial liabilities classified as basic financial liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.9 Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. STAFF COSTS

Staff costs were as follows:

	2018	<i>2017</i>
	£000	<i>£000</i>
Wages and salaries	<u>988</u>	<u><i>1,279</i></u>

The average monthly number of employees during the year was as follows:

	2018	<i>2017</i>
	No.	<i>No.</i>
	<u>5</u>	<u><i>5</i></u>

3. DIRECTORS' REMUNERATION

	2018	<i>2017</i>
	£000	<i>£000</i>
Remuneration	<u>988</u>	<u><i>1,279</i></u>

There are no employees other than the 5 Directors. Only 3 directors (2017: 3) receive remuneration through this Company as disclosed in the table above, the other directors are paid by other companies within the PageGroup Plc group. The remuneration paid by other companies in the PageGroup to these 2 directors of the Company consisted of remuneration of £2,274k (2017: £1,938k) and pension contributions of £76k (2017: £89k). Remuneration details for Directors of Michael Page International Southern Europe Limited who also serve on the Board of the ultimate parent company can be found in the Directors' Remuneration Report on pages 60 to 77 of the PageGroup Annual Report and Accounts for the year ended 31 December 2018, which does not form part of this report but can be found on the Group website at www.page.com/investors. It is not practicable to identify the proportion of these emoluments that relate to the services to this Company.

During the year 3 Directors (2017: 2) received awards of share options under the Group's share plans; 5 Directors (2017: 4) exercised options under these schemes during the year and 3 Director's options lapsed during the year.

The remuneration for the highest paid director for 2018 was £509k (2017: £542k).

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. TAXATION

a) Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 – *lower than*) the effective rate of corporation tax in the UK of 19.00% (2017: 19.25%).

The differences are explained below:

	2018 £000	2017 £000
Profit on ordinary activities before tax	2,106	8,374
Profit on ordinary activities multiplied by effective rate of corporation tax in the UK of 19.00% (2017 – 19.25%)	400	1,612
Effects of:		
Impairment of investment	-	-
Dividends receivable from group companies	(588)	(1,858)
Group relief	188	246
Current tax charge for the year	-	-

5. DIVIDENDS

	2018 £000	2017 £000
Dividend declared	3,094	9,653

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. INVESTMENTS

	Investments in subsidiary companies £000
Cost	
At 1 January 2018	99,830
Additions	61
At 31 December 2018	99,891
Impairment	
At 1 January 2018 and 31 December 2018	(1,265)
At 31 December 2018	98,626
At 31 December 2017	98,565

The Company's subsidiary undertakings at 31 December 2018, their countries of incorporation or registration, percentage holding and their principal activities are set out below:

Subsidiary undertakings

Name of undertaking	Country of Incorporation	Percentage Held	Principal activity
LPM (Professional Recruitment) Limited*	United Kingdom	100%	Holding Company
Accountancy Additions Limited*	United Kingdom	100%	Non trading Company
Michael Page International Ireland Limited*	Ireland	100%	Recruitment Consultancy
Michael Page Financial Services France SAS*	France	100%	Holding Company
Michael Page International (France) SAS*	France	100%	Recruitment Consultancy
Page Personnel SAS	France	100%	Recruitment Consultancy
MP EDP EURL	France	100%	Recruitment Consultancy
Page Formation EURL	France	100%	Recruitment Consultancy
MP Services SASU	France	100%	Recruitment Consultancy
Michael Page Advertising SARLU	France	100%	Recruitment Consultancy
MP Ingenieurs et Informatique SARLU	France	100%	Recruitment Consultancy
MP Commercial EURL	France	100%	Recruitment Consultancy
MP Finance et Comptabilite EURL	France	100%	Recruitment Consultancy
MP International-LRR EURL	France	100%	Recruitment Consultancy
MP Sud EURL	France	100%	Recruitment Consultancy
MP Nord EURL	France	100%	Recruitment Consultancy
Page Executive EURL	France	100%	Recruitment Consultancy
Page Consulting SARLU	France	100%	Recruitment Consultancy
Michael Page Monaco SARL	France	100%	Recruitment Consultancy
MP Immobilier et Construction EURL	France	100%	Recruitment Consultancy
Talent for SARLU	France	100%	Recruitment Consultancy
Page Group Europe SL	Spain	100%	Recruitment Consultancy
Michael Page IT Services SARLU	France	100%	Recruitment Consultancy

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. INVESTMENTS (continued)

Subsidiary undertakings

Name of undertaking	Country of Incorporation	Percentage Held	Principal activity
Michael Page Holding Espana SL*	Spain	100%	Recruitment Consultancy
Michael Page International (Espana) SA	Spain	100%	Recruitment Consultancy
Michael Page AD SL	Spain	100%	Recruitment Consultancy
Page Personnel ETI SA	Spain	100%	Recruitment Consultancy
Page Personnel Seleccion SA	Spain	100%	Recruitment Consultancy
Michael Page International (New Zealand) Limited*	New Zealand	100%	Recruitment Consultancy
Michael Page International Italia Srl*	Italy	75%	Recruitment Consultancy
Page Personnel Italia Spa*	Italy	75%	Recruitment Consultancy
Michael Page International Empresa de Trabalho Temporario e Servicos de Consultadoria Lda*	Portugal	98%	Recruitment Consultancy
Michael Page International (Brasil) SC Ltda*	Brazil	90%	Recruitment Consultancy
Page Personnel Do Recrut Especializ. E Servs. Corpor Ltda	Brazil	100%	Recruitment Consultancy
Page Interim Do Brasil Recrut Especializ.Ltda	Brazil	100%	Recruitment Consultancy
Michael Page International Peru SRL	Peru	75%	Recruitment Consultancy
Michael Page International Mexico Servicios Corporativos SA de CV*	Mexico	90%	Recruitment Consultancy
Michael Page International Mexico Reclutamiento Especializado SA de CV*	Mexico	90%	Recruitment Consultancy
MPI Argentina SA	Argentina	88%	Recruitment Consultancy
Page Personnel Argentina SA*	Argentina	75%	Recruitment Consultancy
Page Personnel Argentina Servicios Eventuales SA*	Argentina	75%	Recruitment Consultancy
Michael Page International Chile Ltda*	Chile	90%	Recruitment Consultancy
Page Personnel International Chile Ltda*	Chile	50%	Recruitment Consultancy
Empresa de Servicios Transitorios Page Interim Chile Ltda*	Chile	50%	Recruitment Consultancy
Michael Page International NEM Istihdam Danismanligi Limited Sirketi*	Turkey	100%	Recruitment Consultancy
Michael Page International Yonetim Servisleri ve Danismanligi Limited Sirketi	Turkey	100%	Recruitment Consultancy
Michael Page International (Moroc) SARL AU*	Morocco	100%	Recruitment Consultancy
Michael Page International Colombia SAS*	Colombia	100%	Recruitment Consultancy

* The equity of these subsidiary undertakings are held directly by the Company. The other subsidiaries are held through indirect ownership.

All companies operate principally in their country of incorporation. The Group headed by PageGroup plc holds 100% of all classes of issued share capital.

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. DEBTORS

	2018	<i>2017</i>
	£000	<i>£000</i>
<i>Financial assets at amortised cost:</i>		
Amounts owed by group undertakings	<u>6,023</u>	<u><i>6,018</i></u>

All amounts due from group undertakings are unsecured, interest free and repayable on demand.

8. CREDITORS

Amounts falling due within one year

	2018	<i>2017</i>
	£000	<i>£000</i>
<i>Financial liabilities at amortised cost:</i>		
Amounts owed to group undertakings	103,691	<i>104,169</i>
Accruals	698	<i>818</i>
	<u>104,389</u>	<u><i>104,987</i></u>

All amounts due to group undertakings are unsecured, interest free and repayable on demand.

9. SHARE CAPITAL

	2018	<i>2017</i>
	£	<i>£</i>
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u><i>2</i></u>

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VAT group registration

As a result of a group registration for VAT purposes, the Company is contingently liable for VAT liabilities arising in other companies within the VAT group which at 31 December 2018 amounted to £5.9m (2017: £6.1m).

MICHAEL PAGE INTERNATIONAL SOUTHERN EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. RELATED PARTY TRANSACTIONS

The Company is taking advantage of the exemption under section 33 of FRS 102 not to disclose transactions with entities that are also wholly owned subsidiaries of PageGroup plc.

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate and ultimate parent company is PageGroup plc, a company incorporated in England and Wales. PageGroup plc is the parent undertaking of the largest and smallest group which includes the Company and for which group financial statements are prepared. Copies of the group financial statements are available from Page Group, Page House, 1 Dashwood Lang Road, The Bourne Business Park, Addlestone, Surrey, KT15 2QW.