Protiviti Limited

Annual Report and Financial Statements

for the year ended 31 December 2007

Registered Number 04482240

DIRECTORS and ADVISORS
for the year ended 31 December 2007

EXECUTIVE DIRECTORS
R W Glass
M K Waddell

SECRETARY
A M Plumbly

REGISTERED OFFICE
Washington House
International Square
Off Starley Way
Birmingham
B37 7GN

INDEPENDENT AUDITORS
PricewaterhouseCoopers LLP
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

BANKERS
The Royal Bank of Scotland plc
1 St Phillips Place
Birmingham
B3 2PP

SOLICITORS
Baker & McKenzie
100 New Bridge Street
London
EC4V 6JA

DIRECTORS' REPORT
for the year ended 31 December 2007

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

PRINCIPAL ACTIVITY OF THE COMPANY

The principal activity of the company continues to be the provision of internal audit and business risk consulting services

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

Protiviti has benefited in recent years from the focus on accounting reforms and better financial controls in the UK and US economies, the evolving business environment has created a demand for its expertise in internal audit, enterprise risk management and compliance with international control regulations Over the course of 2007, the changing requirements of the company's client base and a relaxation of compliance rules for US listed entities resulted in a decrease in the utilisation of staff for business risk services This contributed to turnover from continuing activities decreasing by £1 1 million to £8 5 million (2006 £9 6 million)

During 2007 the number of staff increased by 15% from an average of 72 in 2006 to 83 Whilst the company has seen a lower demand in its services for Sarbanes-Oxley compliance it has continued to build its workforce with more diverse skills to expand into other areas of risk management and internal audit Due to the expanding workforce the company also moved into new leased premises As a result of this expansion, the company made an operating loss of £2 1 million (2006 £0 8 million profit)

PRINCIPAL RISKS AND UNCERTAINTIES

Dependence on Personnel
The company's performance depends largely on the ability to continue to attract, train and retain high calibre individuals The company has focused on improving employee benefits and continuing to offer equity incentives to support the long term retention of valued employees While the company has retained its key personnel to date, there can be no assurance that it will continue to be able to do so

Reputation
The success of the company's performance is highly dependent upon its reputation Any event that adversely impacts the reputation of the business could materially adversely affect the future results of the company

Demand for Services
The company provides services related to Sarbanes-Oxley and other regulatory compliance There can be no assurance that there will be ongoing demand for these services or that the current regulatory framework will be maintained in its current form

Competition
The company operates in a highly competitive business, where the barriers to entry are quite low

Potential Liability
The company consists of providing internal audit and business risk consulting services Liability could be incurred or litigation could be instituted against the company for claims related to these activities or to prior transactions or activities There can be no assurance that such liability or litigation will not have an adverse impact on the company

DIRECTORS' REPORT
for the year ended 31 December 2007 (continued)

KEY PERFORMANCE INDICATORS (KPIs)

Company performance durıng the year has been measured by management usıng the followıng financıal and non-financıal KPIs The source of the data and calculatıon methods year-on-year are on a consıstent basıs Performance durıng the year together wıth hıstorıcal trend data ıs set out ın the table below

KPI	2007	2006	Definition and method of calculation
Growth in Revenue	-11%	29%	Year on year revenue growth expressed as a percentage The company's results showed another successful year for the internal audit division, however, the diminished Sarbanes Oxley requirements for some of our clients reduced our revenues compared to 2006 for risk consultancy Source Income statement in the financial statements
Gross Margin %	12%	32%	Gross margin is the ratio of gross profit to revenue expressed as a percentage Gross profit is after charging direct employee costs Gross margin reduced as a result of lower utilisation of staff working in business risk services Source Income statement in the financial statements
Operating Profit Margin %	-25%	8%	Ratio of operating profit before interest and tax to revenue expressed as a percentage The company made a loss in 2007 as a result of the lower utilisation of staff in business risk services and the expansion to new premises Source Income statement in the financial statements
Growth in staff			
Permanent	29%	80%	Year on year growth in staff expressed as a percentage The company continued to increase its staff in 2007 to support expansion of the business in 2008 Source Note 6 of the financial statements
Temporary	-83%	-46%	
Total	15%	37%	
Debtor Days	67	76	No of days sales outstanding calculated using the countback method The company successfully reduced its days sales outstanding by 9 days Source Internal data
Current Ratio	1 0	1 5	The current ratio is derived by dividing current assets by current liabilities, and is a good indicator of the company's ability to meet short-term debt obligations The higher the ratio the more liquid the company is The current ratio is lower than last year Additional funding has been provided from within the Robert Half International group Source Balance sheet in the financial statements

DIRECTORS' REPORT
for the year ended 31 December 2007 (continued)

FINANCIAL RESULTS

The audited financial statements for the year ended 31 December 2007 are set out on pages 7 to 18
The financial results show a loss for the financial year of £1,583,676 (2006 £497,999 profit) No dividends were paid or proposed during the year (2006 £nil)

DIRECTORS

The directors who served during the year and subsequently were as follows

R W Glass
M K Waddell

EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees

The company is committed to an active Equal Opportunities policy to ensure individuals are appointed, promoted, trained and developed, and treated on the basis of their relevant merits and abilities The company's objective is to ensure no applicant or employee receives less favourable treatment, directly or indirectly on the grounds of sex, colour, race, religion, ethnic or national origin, marital status, disability, age or sexual orientation

The company places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the company This information is circulated to employees through a dedicated website and regular email announcements

POLITICAL AND CHARITABLE DONATIONS

There were no political or charitable donations made in either the current or prior year

SUPPLIER PAYMENT POLICY

The company's policy is to abide by the agreed terms of payment with suppliers where the goods and services have been supplied in accordance with the relevant terms and conditions of contract
The number of days purchases outstanding for payment by the company at 31 December 2007 is 4 (2006 10 days)

FINANCIAL RISK MANAGEMENT

The directors have not disclosed the company's financial risk management objectives and policies nor the company's exposure to price risk, credit risk, liquidity risk and cash flow risk as such information is not material for the assessment of the company's assets, liabilities, financial position, and loss for the financial year

DIRECTORS' REPORT
for the year ended 31 December 2007 (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary

The directors confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records which 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

AUDITORS AND DISCLOSURE OF INFORMATION TO AUDITORS

So far as each director is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting
On behalf of the board,

Robert V Glaser

Director
13 October, 2008

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROTIVITI LIMITED

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

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) This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

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 report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements

In addition we also 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 judgments 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

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 loss 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

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham
22 October 2008

Protiviti Limited

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2007

	Note	*2007* £	*2006* £
TURNOVER	3	**8,517,443**	9,566,622
Cost of sales		**(7,497,986)**	(6,504,067)
GROSS PROFIT		**1,019,457**	3,062,555
Administrative expenses		**(3,169,349)**	(2,311,399)
OPERATING (LOSS)/PROFIT	7	**(2,149,892)**	751,156
Net interest expense	8	**(33,658)**	(43,694)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**(2,183,550)**	707,462
Tax credit/(charge) on (loss)/profit on ordinary activities	9	**599,874**	(209,463)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	16,17	**(1,583,676)**	497,999

The accompanying notes on pages 9 to 18 are an integral part of the financial statements All activities relate to continuing operations for both financial years

There is no difference between the loss/profit on ordinary activities before taxation and the loss/profit for the years as stated above and their historical cost equivalents

The company has no recognised gains and losses in either year other than the (loss)/profit for the financial years as stated above, and therefore no separate statement of total recognised gains and losses has been presented

BALANCE SHEET
as at 31 December 2007

	Note	*2007* £	*2006* £
FIXED ASSETS			
Tangible assets	11	**114,186**	196,946
		114,186	196,946
CURRENT ASSETS			
Debtors	12	**3,408,853**	3,024,941
Cash at bank and in hand		**557,879**	549,528
		3,966,732	3,574,469
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	13	**(4,129,196)**	(2,314,223)
NET CURRENT (LIABILITIES)/ASSETS		**(162,464)**	1,260,246
TOTAL ASSETS LESS CURRENT LIABILITIES		**(48,278)**	1,457,192
PROVISIONS FOR LIABILITIES AND CHARGES	14	**(39,607)**	-
NET (LIABILITIES)/ASSETS		**(87,885)**	1,457,192
CAPITAL AND RESERVES			
Called up share capital	15	**1**	1
Profit and loss account	17	**(87,886)**	1,457,191
TOTAL SHAREHOLDERS' (DEFICIT)/FUNDS	16	**(87,885)**	1,457,192

The financial statements on pages 7 to 18 were approved by the board of directors and signed on its behalf by

Robert W. Glen

Director

13 October, 2008

The accompanying notes on pages 9 to 18 are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2007

1. PRINCIPAL ACCOUNTING POLICIES

Basis of accounting
The financial statements are prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 1985 and with applicable accounting standards in the United Kingdom The principal accounting policies which have been consistently followed are set out below

Tangible fixed assets
The cost of fixed assets is their purchase cost and any costs directly attributable to bringing them into working condition for their intended use Depreciation is calculated so as to write off the cost of the tangible fixed assets, less their estimated residual values, on the following bases

Fixtures, fittings and computer equipment	-	20% to 50% per annum straight line
Leasehold improvements	-	the shorter of 20% per annum straight line, or to the first break date

Provision is made for any impairment in the year in which it arises The impairment is calculated by comparing the carrying value to the recoverable amount as required by FRS 11 "Impairment of fixed assets and goodwill" Any provisions for impairment in the carrying value of fixed assets to below historical cost are charged to the profit and loss account Profits or losses on disposal of tangible fixed assets are included within operating profit

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

Deferred tax 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 at the balance sheet date

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date Deferred tax is measured on a non-discounted basis

Turnover
Turnover represents amounts receivable for services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes

Revenue recognition
Risk consulting and internal audit services are generally provided on a time-and-material basis or fixed-fee basis Revenues earned under the time-and-material arrangements are recognised as services are provided Revenues on fixed-fee basis are recognised using a proportional performance method as the hours are incurred relative to total estimated hours for the engagement

The company periodically evaluates the need to provide for any losses on these projects, and losses are recognised when it is probable that a loss will be incurred Reimbursements, including those relating to travel and out-of-pocket expenses, are included in revenues, and equivalent amounts of reimbursable expenses are included in direct costs of services The company occasionally acts as an agent by arranging the provision of services on behalf of a principal Where this is the case only the commission received in return for its performance under the agency agreement is included in turnover

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2007 (continued)

1 PRINCIPAL ACCOUNTING POLICIES (continued)

Pension costs
The company operates a defined contribution scheme for certain employees The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year Differences between contributions payable in the year and contributions actually paid are shown either as accruals or prepayments in the balance sheet

Foreign currency
Transactions denominated in foreign currencies are recorded at the rate of exchange at the date of the transaction Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date All exchange differences are included in the profit and loss account

Leases
Rentals under operating leases are charged on a straight-line basis to the profit and loss account over the lease term, even if the payments are not made on such a basis Benefits received or receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used

Share-based payments
The company has applied the requirements of FRS 20 'share-based payment' In accordance with the transitional provisions, FRS 20 has been applied to all grants of equity instruments after 7 November 2002 that were unvested as of 1 January 2006

The company issues equity-settled share-based payments to certain employees The fair value of equity-settled share-based payments is determined at the date of grant and is expensed on a straight-line basis over the vesting period, based on the company's estimate of shares or options that will eventually vest

Fair value is measured by use of the Black-Scholes pricing model The expected life used in the model has been based on the company's historical share data The fair value of restricted shares is based on the share price at close of business on the date of grant Further details are set out in note 10

2 CASH FLOW STATEMENT

The company has taken advantage of the exemption of Financial Reporting Standard 1 (revised 1996) for wholly owned subsidiaries and has not prepared a cash flow statement as its cash flows are incorporated in the consolidated financial statements of the ultimate parent company whose financial statements are publicly available (see note 21)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2007 (continued)

3 TURNOVER AND SEGMENTAL ANALYSIS

Turnover, which is stated net of value added tax, is generated from the company's principal activity of the provision of internal audit and business risk consulting services, for both financial years
An analysis of turnover by geographical market is given below

	2007	*2006*
	£	**£**
United Kingdom	**4,748,443**	4,996,890
Rest of Europe	**659,209**	2,008,761
North America	**2,710,731**	2,406,723
Other	**399,060**	154,248
	8,517,443	9,566,622

4. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under Financial Reporting Standard 8 – 'Related Party Disclosures', not to disclose details of its transactions with related parties This exemption is available as the transactions are with entities that are part of the same group and the consolidated financial statements of the ultimate parent company are publicly available (see note 21)

5. DIRECTORS' EMOLUMENTS

The directors are also directors/officers of Robert Half International Inc and their emoluments are included in the financial statements of that company It is not possible for the company to apportion any of their emoluments in respect of services rendered to the company during either the current or prior year

6. STAFF COSTS

The aggregate staff costs comprise

	2007	*2006*
	£	**£**
Wages and salaries	**6,221,564**	5,598,680
Social security costs	**741,041**	495,790
Pension costs (see note 19)	**11,839**	21,176
Equity settled share-based payments (see note 10,16)	**38,599**	14,348
	7,013,043	6,129,994

Wages and salaries include £212,065 (2006 £1,317,231), which represents the cost of subcontractors who are not employed under a contract of services by the company These subcontractors are hired through other group companies and third party companies and provide services on which the company may recognise revenue and these costs have been included within the cost of sales Although these subcontractors do not have a contract of service from the company, for completeness these costs have been included in the above disclosure

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2007 (continued)

6. STAFF COSTS (continued)

The average monthly number of employees (including executive directors) employed by the company during the year was as follows

	2007	*2006*
	Number	*Number*
Sales and administration	**81**	63
Subcontractors (not employed under a contract of services by the company)	**2**	9
	83	72

7. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging

	2007	*2006*
	£	*£*
Depreciation of tangible fixed assets (see note 11)	**106,785**	87,364
Operating lease rentals – other (including land and buildings)	**560,138**	261,228
Services provided by the company's auditors		
Fees payable for the audit	**19,775**	13,800

8. TOTAL INTEREST PAYABLE AND SIMILAR CHARGES

	2007	*2006*
	£	*£*
Interest income on group loans	**-**	1,354
Bank deposit interest income	**-**	1,284
Total interest receivable and similar income	**-**	2,638
Interest expense on group loans	**(33,658)**	(46,237)
Other finance charges	**-**	(95)
Interest expense and similar charges	**(33,658)**	(46,332)
Net interest expense	**(33,658)**	(43,694)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2007 (continued)

9 TAX (CREDIT)/CHARGE ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

a) Analysis of tax for the year

	2007 £	*2006* £
The tax charge comprises		
Current tax		
UK corporation tax	**(600,392)**	237,220
Adjustments in respect of prior years		
- UK corporation tax	**19,945**	(21,357)
Total current tax	**(580,447)**	215,863
Deferred tax		
Current year	**(14,915)**	(5,066)
Adjustment in respect of prior years	**(4,512)**	(1,334)
Total deferred tax	**(19,427)**	(6,400)
Tax on profit on ordinary activities	**(599,874)**	209,463

b) Factors affecting tax for the year

The tax assessed on the (loss)/profit on ordinary activities for both years is higher than the standard rate of corporation tax in the UK (30%) (2006 30%)

The differences are explained below

	2007 £	*2006* £
(Loss)/profit on ordinary activities before tax	**(2,183,550)**	707,462
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax of 30% (2006 30%)	**(655,065)**	212,239
Effect of.		
Expenses non deductible for tax purposes	**25,542**	13,499
Depreciation in excess of capital allowances	**25,076**	11,046
Timing differences on stock options	**4,055**	436
Adjustments in respect of previous periods	**19,945**	(21,357)
Current tax charge for the year	**(580,447)**	215,863

c) Factors affecting future tax charges

The tax charge for future periods will be affected by the change in the UK tax rate which was reduced to 28% with effect from 1 April 2008

10. SHARE-BASED PAYMENTS

The company's equity-settled share-based payments comprise both stock options and restricted stock programs The last grant under the stock option plan was made in July 2003 Only certain employees were eligible for options which are valued using the Black-Scholes stock option valuation method The grants vest at 25% per annum in years one through four and the options expire 10 years after the grant date Furthermore, options are forfeited within 30 days of the employee leaving the company Effective from 1 July 2006, the company replaced its employee stock option plan with a discretionary restricted stock program At the vesting date, ownership of the shares will transfer to the employee, with no exercise or purchase requirements The grants will vest 25% on each anniversary of the grant date All unvested units will be forfeited upon termination The company has in the past made discretionary awards of restricted shares to individuals for their contribution based on US Senior Management decisions

Share Option Program

Details of outstanding share options are set out below

Grant Date	Outstanding at 1 Jan 07	Granted in Year	Exercised in Year	Forfeited in Year	Outstanding at 31 Dec 07	Exercise Price	Exercise Date From	Exercise Date To
10 02 2003	1 600	-	-		1 600	£8 71	Feb-2004	Feb-2013
01 07 2003	1 000	-	-		1 000	£11 30	Jul-2004	Jul-2013
No of Shares	2,600	-	-	-	2,600			
Weighted Average Exercise Price	£9 71	-	-	-	£9 71			

The fair value of share options has been estimated using a Black-Scholes-pricing model with the following assumptions

	10 Feb 2003	*1 Jul 2003*
Share Price at Grant Date	£8 71	£11 30
Exercise Price	£8 71	£11 30
Interest Rate	3 03%	2 48%
Dividend Yield	0%	0%
Expected Volatility	51%	51%
Expected Life	6 Years	6 Years
Valuation per Share	£4 40	£5 65

Expected volatility was determined by calculating the historical volatility of the company's share price over the previous 5-6 years The expected life used in the model has been based on management's best estimate based on historical activity over the previous 5-6 years

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2007 (continued)

10 SHARE-BASED PAYMENTS (continued)

Restricted Stock Programs

Details of unvested restricted stocks awarded to employees are set out below

Grant Date	Outstanding at 1 Jan 07	Granted in Year	Transfers In/Out	Vested in Year	Forfeited in Year	Outstanding at 31 Dec 07	Share Price	Vesting Date From	Vesting Date To
01 07 2004	100	-	50	(50)	-	100	£15 94	Jul-2005	Jul-2008
18 10 2004	100	-	-	(50)	-	50	£15 04	Jul-2005	Jul-2008
08 04 2005	200	-	-	(100)	-	100	£13 83	Jul-2005	Jul-2008
01 07 2005	316	-	(158)	(38)	-	120	£14 04	Jul-2006	Jul-2009
24 08 2005	-	-	257	-	-	257	£18 08	Jul-2006	Jul-2009
24 04 2006	900	-	-	(300)	-	600	£23 86	Jul-2006	Jul-2009
31 07 2006	3 291	-	426	(840)	-	2 877	£17 37	Jun-2007	Jun-2010
31 01 2007	-	140	-	(35)	-	105	£20 73	Dec-2007	Dec-2010
31 07 2007	-	4,793	266	-	-	5,059	£16 79	Jun-2008	Jun-2011
No of Shares	4,907	4,933	841	(1,413)	-	9,268			
Weighted Average Price	£17 56	£16 90	£17 94	£18 36	-	£17 42			

Shares are awarded over the ultimate parent company and therefore there will be no impact on the share capital of Protiviti Limited The company has not paid any money to the ultimate parent company in respect of shares granted to the company's employees during the current or prior years

11 TANGIBLE FIXED ASSETS

	Leasehold improvements £	*Fixtures, fittings and computer equipment* £	*Total* £
Cost:			
At 1 January 2007	55,765	286,603	342,368
Additions	14,934	48,832	63,766
Disposals	(55,765)	(28,621)	(84,386)
At 31 December 2007	**14,934**	**306,814**	**321,748**
Accumulated depreciation:			
At 1 January 2007	19,346	126,076	145,422
Provided during the year	6,688	100,097	106,785
Disposals	(23,991)	(20,654)	(44,645)
At 31 December 2007	**2,043**	**205,519**	**207,562**
Net book value.			
At 31 December 2007	**12,891**	**101,295**	**114,186**
At 31 December 2006	36,419	160,527	196,946

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2007 (continued)

12. DEBTORS· AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	*2006* £
Trade debtors	**2,439,001**	2,338,915
Amounts owed by other Robert Half International undertakings	**594,548**	591,420
Corporation tax	**26,271**	50,855
Prepayments and accrued income	**349,033**	43,751
	3,408,853	3,024,941

Loan amounts owed by other Robert Half International undertakings have no fixed repayment terms and bear interest at 1% over the UK Base Rate

Included within the prepayments and accrued income above is the deferred tax asset comprising

	2007 £	*2006* £
Accelerated capital allowances	**35,082**	7,919
Short term timing differences	**-**	275
Timing differences in respect of share-based payments	**7,666**	15,127
	42,748	23,321

The movement in the deferred tax asset can be analysed as

	2007 £	*2006* £
Deferred tax asset at the start of the year	**23,321**	16,921
Deferred tax credit to the profit and loss account for the year (see note 9)	**19,427**	6,400
Deferred tax asset at the end of the year	**42,748**	23,321

13. CREDITORS· AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	*2006* £
Trade creditors	**20,683**	47,620
Amounts owed to other Robert Half International undertakings	**2,806,080**	1,075,531
Other taxation and social security	**457,383**	625,158
Accruals and deferred income	**845,050**	565,914
	4,129,196	2,314,223

Loan amounts owed to other Robert Half International undertakings have no fixed repayment terms and bear interest at 1% over the UK Base Rate

Other amounts owed to other Robert Half International undertakings are trading balances and are repayable under the normal terms of business

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2007 (continued)

14. PROVISIONS FOR LIABILITIES AND CHARGES

	Dilapidations £'000
At 1 January 2007	-
Charged to profit and loss account	**39,607**
At 31 December 2007	**39,607**

Dilapidation provisions
Full provision has been made for leasehold properties which have dilapidation commitments included The provision is expected to unwind in between 3 and 8 years

15 CALLED UP SHARE CAPITAL

	Authorised	
	2007	*2006*
	£	*£*
Ordinary £1 shares	**1,000,000**	1,000,000

	Allotted, called up and fully paid	
	2007	*2006*
	£	*£*
Ordinary £1 shares	**1**	1

The authorised share capital of the Company is 1,000,000 ordinary shares (2006 1,000,000) of £1 each, and the allotted, called up and fully paid share capital is 1 ordinary share (2006 1) of £1

16 RECONCILIATION OF MOVEMENTS IN TOTAL SHAREHOLDERS' (DEFICIT)/FUNDS

	2007	*2006*
	£	*£*
Opening total shareholders' funds	**1,457,192**	944,845
(Loss)/profit for the financial year	**(1,583,676)**	497,999
Capital contribution in respect of share based payments (see note 6,10)	**38,599**	14,348
Closing total shareholders' (deficit)/funds	**(87,885)**	1,457,192

17 RESERVES

	Profit and loss account £
At 1 January 2007	1,457,191
Loss for the financial year	(1,583,676)
Share-based payments (see note 6,10)	38,599
At 31 December 2007	**(87,886)**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2007 (continued)

18 FINANCIAL COMMITMENTS

At 31 December 2007 the company had annual commitments under non cancellable operating leases as set out below

	Land and buildings	
	2007	*2006*
	£	£
Expiry date		
In two to five years	**693,707**	5,652
After five years	-	289,104
	693,707	294,756

There were no capital commitments at either year end

19 PENSION COMMITMENTS

The company pays into a defined contribution pension scheme in respect of certain employees Pension costs for the year were £11,839 (2006 £21,176) and these were fully paid as at 31 December 2007 and 31 December 2006

20 CONTINGENT LIABILITIES

Robert Half International Inc issues stock options to employees and directors of the company as an integral part of its compensation programs

Share options granted subsequent to 5 April 1999 in the UK under unapproved schemes are subject to national insurance contributions on the gain made on the exercise of such options by employees

An accrual of £5,893 has been made at 31 December 2007 (2006 £6,454) based on the year end share price of $27 04 (2006 $37 12) and the elapsed portion of the relevant vesting periods

Based on the year end share price there is a further contingent liability of approximately £10,446 (2006 £7,893) arising by the end of the vesting period that has not been provided for in the financial statements

21. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The directors regard Protiviti Inc , a company incorporated in the USA, as the immediate parent company and Robert Half International Inc , a company incorporated in the USA, as the ultimate parent company and the ultimate controlling party Robert Half International Inc heads the smallest and largest group to consolidate these financial statements Copies of the group financial statements are available from 2884 Sand Hill Road, Menlo Park, California, 94025, USA