

REGISTERED NUMBER: 07485626 (England and Wales)

ALLEGIS GROUP (UK) HOLDINGS LIMITED

ANNUAL REPORT

FOR THE PERIOD ENDED 31ST DECEMBER 2011

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COMPANIES HOUSE

PricewaterhouseCoopers LLP
Chartered Accountants
& Statutory Auditors
1 Embankment Place
London
WC2N 6RH

ALLEGIS GROUP (UK) HOLDINGS LIMITED

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FOR THE PERIOD ENDED 31ST DECEMBER 2011**

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ALLEGIS GROUP (UK) HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS:

S Beavis
P J Bowie
J C Davis
C L Hartman
J B Turner

SECRETARY:

Ovalsec Limited

REGISTERED OFFICE.

OTV House East Wing
Wokingham Road
Bracknell
Berkshire
RG42 1NG

REGISTERED NUMBER:

07485626 (England and Wales)

AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants
& Statutory Auditors
1 Embankment Place
London
WC2N 6RH

ALLEGIS GROUP (UK) HOLDINGS LIMITED
REPORT OF THE DIRECTORS
FOR THE PERIOD ENDED 31ST DECEMBER 2011

The directors present their report with the audited financial statements of the company and the group for the period from Incorporation on 7th January 2011 to 31st December 2011

PRINCIPAL ACTIVITY

The principal activity of the group in the period under review was that of an international staffing business, providing both permanent and contracting staff

REVIEW OF BUSINESS

The results for the period and financial position of the company and the group are as shown in the annexed financial statements

On 31st January 2011 Allegis Group (UK) Holdings Ltd acquired 84.1% of the ordinary share capital of Allegis Group (UK) Holdings II Ltd which immediately acquired 100% of the share capital of Aston Carter Group Limited. Allegis Group ((UK)) Holdings Ltd, whose ultimate parent company Allegis Inc, operates across the globe

The company has subsidiaries in France, Singapore, Hong Kong, the Netherlands, Switzerland and Germany. One of the company's subsidiaries has branches in Ireland, Sweden, Belgium and Japan.

RESULTS AND DIVIDENDS

Details of the results for the eleven month period from 31.1.2011 to 31.12.2011 are set out in the Group Profit and Loss account on page 7. The Directors do not recommend the payment of a dividend.

FUTURE DEVELOPMENTS

The group has continued to achieve good results despite the recent downturn in the global economy. The group will continue to grow through new branches and subsidiaries, focusing on building existing market share and diversifying into new markets. The group is well placed to grow revenue and profits.

DIRECTORS

The directors during the period under review and up to the date of signing the financial statements were

Sean Beavis	- Appointed 31st January 2011
Paul Joseph Bowie	- Appointed 7th January 2011
James Charles Davis	- Appointed 7th January 2011
Christopher Lee Hartman	- Appointed 7th January 2011
John Bradford Turner	- Appointed 7th January 2011

GROUP'S POLICY ON PAYMENT OF CREDITORS

It is the policy of the group to agree appropriate terms and conditions for transactions with suppliers (by means ranging from standard written terms to individually negotiated contracts) and that payment should be made in accordance with those terms and conditions, provided that the supplier has also complied with them.

The group's standard policy varies between its (UK) and overseas contractors. It is the group's standard policy to pay (UK) contractors monthly within 6 days from submission of a duly authorised timesheet and invoice, and its overseas contractors monthly within 6 to 14 days from submission of a duly authorised timesheet and invoice.

Overall group creditor days were 8 days. The company has no trade creditors.

ALLEGIS GROUP (UK) HOLDINGS LIMITED

REPORT OF THE DIRECTORS - continued **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance, or position of the group

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the period, the group made charitable donations to employee related charities of £1,860 but made no political donations

EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities 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 the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through the in-house e-mails, briefing groups and the distribution of the annual report.

ALLEGIS GROUP (UK) HOLDINGS LIMITED

REPORT OF THE DIRECTORS - continued **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

PRINCIPAL RISKS AND UNCERTAINTIES

Managing the group with a view to attaining its overall strategy of expansion is subject to a number of risks. Allegis Group (UK) Holdings Limited considers the main risks that could potentially impact the group's operating and financial performance as follows:

People

Retaining key staff is critical to the group's strategy for expansion. The inability to recruit and retain excellent people could adversely affect the group's results. Such risks are mitigated by its policy toward staff share ownership, as well as competitive pay and commission structures. Such commission structures are directly linked to each individual's contribution to the group's growth.

Environment

Recruitment activity is affected by the confidence and economic conditions of the market in which the group operates. The Board looks to reduce the group's risk by finding new markets overseas and in the case of the UK by expanding into new business sectors that diversify from its existing base as well.

Competition

The group operates in a highly competitive marketplace. In order to succeed, the group endeavours to continue to hire new staff, and explore new business sectors. Being a Technology based Recruiter, there is a risk that competitors may beat us to key opportunities as technology changes which could result in lost business and a reduction in market share. This risk is mitigated by training of key personnel, as well as regular meetings of the Board, where strategy is continually reviewed and decisions made over the allocation of resources.

Financial, Liquidity and Cashflow

The Board continually monitors the liquidity and cash flow of the group. The group utilises sales financing facilities to manage liquidity risk. Cash flow is monitored and controlled daily, and regularly forecasted to ensure sufficient cash is available to meet the group's continuing obligations and requirements.

IT systems

The group relies upon the speed and effectiveness of its administration to provide services to clients, candidates and contractors. Due to the rapid advancement of technology, there is a risk that systems could become outdated and competitors with more efficient systems have an advantage on these key groups. The group continues to invest in developing these key systems.

Government

The group and company operate in an environment which has varying legal and compliance regulations. Changes in statutory requirements impact on attractiveness to a contractor and the role of the group. The group ensures that staff are continually updated as to practice by training staff in compliance with these legal requirements. Consultants that derive the fees for the group as well as support staff receive regular training and updates of changes in these requirements.

FINANCIAL RISK MANAGEMENT POLICIES

Credit Risk

The group minimises any credit risk by adhering to policies that require credit checks on any potential customers before sales are made. The group maintains several bank accounts with immediate access to funds. No deposits are held with any financial institutions.

Price Risk

The group remains under pressure from clients and suppliers to ensure that the amounts billed and paid remain market related, and sufficient to ensure a reasonable return is achieved for the group. The group seeks to maintain long term client and candidate relationships, and with larger clients to work alongside them with preferred supplier agreement and to stabilise pricing.

ALLEGIS GROUP (UK) HOLDINGS LIMITED

REPORT OF THE DIRECTORS - continued **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

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 period. Under that law the directors have prepared the group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable (UK) 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.

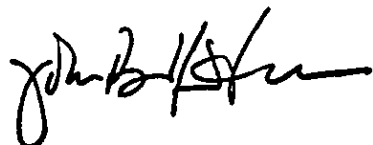
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply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

Disclosure of information to auditors

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) he 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.

ON BEHALF OF THE BOARD



J B Turner

Director

Date 27 September 2012

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ALLEGIS GROUP (UK) HOLDINGS LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Allegis Group (UK) Holdings Limited for the period ended 31st December 2011 which comprise the Group Profit and Loss Account, the Group Statement of Total Recognised Gains and Losses, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing ((UK) and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31st December 2011 and of the group's profit and cash flows for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Fiona Kelsey (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF **ALLEGIS GROUP (UK) HOLDINGS LIMITED**

We have audited the group and parent company financial statements (the "financial statements") of Allegis Group (UK) Holdings Limited for the period ended 31st December 2011 which comprise the Group Profit and Loss Account, the Group Statement of Total Recognised Gains and Losses, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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Scope of the audit of the financial statements

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Opinion on financial statements

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- give a true and fair view of the state of the group's and the parent company's affairs as at 31st December 2011 and of the group's profit and cash flows for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

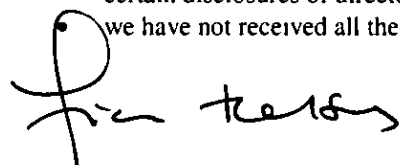
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- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Fiona Kelsey (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

28 September 2012

ALLEGIS GROUP (UK) HOLDINGS LIMITED
GROUP PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31ST DECEMBER 2011
Registered number: 07485626

	Notes	2011 (11 months) £
TURNOVER	2	248,807,454
Cost of sales		<u>(202,792,668)</u>
GROSS PROFIT		46,014,786
Administrative expenses		<u>(32,363,307)</u>
OPERATING PROFIT	4	13,651,479
Interest receivable and similar income		7,904
Interest payable and similar charges	5	<u>(3,137,909)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		10,521,474
Tax on profit on ordinary activities	6	<u>(3,753,519)</u>
PROFIT FOR THE PERIOD AFTER TAXATION		<u><u>6,767,955</u></u>

All amounts relate to continuing activities

There is no difference between the profit on ordinary activities before taxation and the retained profit for the financial period stated above and their historical cost equivalents

ALLEGIS GROUP (UK) HOLDINGS LIMITED

GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE PERIOD ENDED 31ST DECEMBER 2011

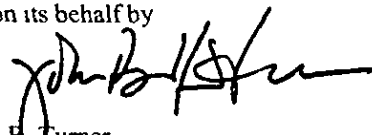
Group	Notes	2011 (11 months) £
PROFIT FOR THE PERIOD		6,767,955
Exchange adjustments taken to reserves (translation of foreign investments)	19	<u>(309,898)</u>
TOTAL RECOGNISED GAINS / (LOSSES) RELATING TO THE PERIOD		<u><u>6,458,057</u></u>

ALLEGIS GROUP (UK) HOLDINGS LIMITED

GROUP BALANCE SHEET
31ST DECEMBER 2011

	Notes	2011 £	£
FIXED ASSETS			
Intangible assets	9		52,257,064
Tangible assets	10		478,136
Investments	11		-
			<u>52,735,200</u>
CURRENT ASSETS			
Debtors	12	48,179,325	
Cash at bank and in hand		<u>9,000,677</u>	
		57,180,002	
CREDITORS			
Amounts falling due within one year	13	<u>(28,083,719)</u>	
NET CURRENT ASSETS			<u>29,096,283</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			81,831,483
CREDITORS			
Amounts falling due after more than one year	14		(47,845,070)
PROVISIONS FOR LIABILITIES AND CHARGES	17		<u>(268,000)</u>
NET ASSETS			<u><u>33,718,413</u></u>
CAPITAL AND RESERVES			
Called up share capital	18		94,119
Share Premium	18		15,905,882
Other reserves	19		(309,898)
Profit and loss reserves	19		<u>6,767,955</u>
TOTAL SHAREHOLDERS FUNDS	20		<u>22,458,058</u>
MINORITY INTEREST	21		<u>11,260,355</u>
CAPITAL EMPLOYED			<u><u>33,718,413</u></u>

The financial statements were approved by the Board of Directors on *27 September 2012* and were signed on its behalf by

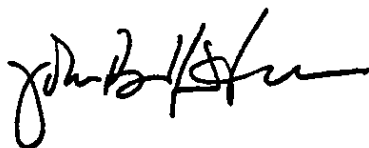

J B Turner
Director

ALLEGIS GROUP (UK) HOLDINGS LIMITED

COMPANY BALANCE SHEET
31ST DECEMBER 2011

	Notes	2011 £	£
FIXED ASSETS			
Investments	11		<u>60,543,255</u>
			60,543,255
CURRENT ASSETS			
Debtors	12	720,717	
Cash at bank and in hand		<u>75,914</u>	
		796,631	
CREDITORS			
Amounts falling due within one year	13	<u>(47,091)</u>	
NET CURRENT ASSETS			<u>749,540</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			61,292,795
CREDITORS			
Amounts falling due after more than one year	14		<u>(47,845,070)</u>
NET ASSETS/(LIABILITIES)			<u><u>13,447,725</u></u>
CAPITAL AND RESERVES			
Called up share capital	18		94,119
Share premium	18		15,905,882
Profit and loss reserves	19		<u>(2,552,276)</u>
SHAREHOLDERS' SURPLUS	20		<u><u>13,447,725</u></u>

The financial statements were approved by the Board of Directors on 27 September 2012 and were signed on its behalf by



J B Turner
Director

ALLEGIS GROUP (UK) HOLDINGS LIMITED

GROUP CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31ST DECEMBER 2011

	Notes	2011 £
Net cash inflow from operating activities	a	8,632,761
Returns on investments and servicing of finance	b	(397,987)
Taxation		(1,826,176)
Capital expenditure and financial investment	b	(129,782)
Acquisitions and disposals	b	<u>(60,541,313)</u>
		(54,262,497)
Financing	b	<u>61,000,001</u>
Increase in cash in the period		<u><u>6,737,504</u></u>
Reconciliation of net cash flow to movement in net debt	c	
Increase in cash in the period		<u>6,737,504</u>
Change in net debt resulting from cash flows		<u>6,737,504</u>
Net debt at 28th December 2011		10,314
Net debt at 7th January 2011		<u>2,252,859</u>
Net debt at 31st December 2011		<u><u>9,000,677</u></u>

ALLEGIS GROUP (UK) HOLDINGS LIMITED
NOTES TO THE GROUP CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31ST DECEMBER 2011

a. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011
	£
Operating profit	13,651,479
Depreciation of fixed assets	275,897
Amortisation of intangible assets	5,940,705
(Increase)/Decrease in debtors	(11,674,674)
Increase/(Decrease) in creditors	439,354
Net cash inflow from operating activities	8,632,761

b. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011
	£
Returns on investments and servicing of finance	
Interest received	6,162
Interest paid	(404,149)
Net cash outflow for returns on investments and servicing of finance	(397,987)
	2011
	£
Capital expenditure and financial investment	
Purchase of tangible fixed assets in period	(129,782)
Net cash outflow for capital expenditure and financial investment	(129,782)
	2011
	£
Acquisitions & Disposals	
Acquisition of Aston Carter Group Ltd – 31 1 2011	(60,295,225)
Acquisition of Allegis Group Services GMBH - 28 12 2011	(21,886)
Acquisition of Allegis Group Services Holdings GMBH – 28 12 2011	(37,690)
Acquisition of additional shares from Minority Interests	(186,512)
Net cash outflow for Acquisitions & Disposals	(60,541,313)
Financing	£
Inter group Loan	45,000,000
Proceeds from share issue	16,000,001
Net cash inflow from financing	61,000,001

c. ANALYSIS OF CHANGES IN NET DEBT

	Acquisition 31 1 2011	Acquisition 28 12 2011	Cashflow	31 12 2011
	Aston Carter Group	AGS + AGSH GMBh		
	£	£	£	£
Cash at bank	2,252,859	10,314	6,737,504	9,000,677
Net Debt	2,252,859	10,314	6,737,504	9,000,677

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on the going concern basis and under the historical cost convention in accordance with applicable laws and Accounting Standards in the United Kingdom and the Companies Act 2006. The principal accounting policies, which have been applied consistently, are set out below.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and all its subsidiary undertakings. Acquisitions are included in the group accounts using the acquisition method of accounting. Accordingly, the group profit and loss account includes the results of acquisitions since the date of the passing of effective control. Purchase consideration is allocated to assets and liabilities on the basis of fair value at the effective date of acquisition. Intra-group transactions and balances are eliminated on consolidation.

Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by the Group.

Going concern

The financial statements have been prepared on the going concern basis. The directors have taken into consideration that the company's creditors predominantly relate to amounts owed to group undertakings, which although they are repayable on demand, will not be called to the detriment of the company as these undertakings are controlled by the company.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

In respect of contracts for on-going services, turnover represents the value of work done in the period, including estimates of amounts not invoiced. Turnover in respect of contracts for on-going services are recognised by reference to the stage of completion. Permanent fee revenue is recognised on start date.

Goodwill

On the acquisition of a business, fair values are attributed to the Group's share of net identifiable assets, using acquisition accounting methodology. Where the cost of acquisition exceeds the fair values attributable to such as net assets, the difference is treated as purchased goodwill and capitalised in the balance sheet in the period of acquisition. Purchased goodwill is amortised to nil by equal annual instalments over its useful life of between 3 to 20 years. Provision is made for any impairment.

Investments

Investments are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

Tangible fixed assets

Tangible fixed assets are stated at cost, less accumulated depreciation and any provision for impairment.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office Equipment	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer software and equipment	- 50% on reducing balance

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

1 ACCOUNTING POLICIES (Continued)

Deferred tax

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted at the balance sheet date

An asset is not recognised to the extent that the transfer of economic benefit in the future is uncertain

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result using the average exchange rates during the period. The exchange differences arising on re-translation of the net investments in overseas subsidiaries are taken directly to reserves

Hire purchase and operating leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

Provision

Provisions are recognised when the Group has a present obligation (legal or constructive), and as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation

Sales Financing

The group uses 'sales financing facilities' to fund its working capital requirement. Turnover generated from customers that fall within the arrangements are reported to the Group's bankers as it arises. The Group is entitled to borrow funds up to a pre arranged percentage of the turnover that has been reported to its bankers that fall within the arrangements. The debts relating to this turnover are shown on the balance sheet within 'trade debtors'. The proceeds from financing facility are included within creditors as a liability. Information of the total debt outstanding under the facility is disclosed within note 12

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD ENDED 31ST DECEMBER 2011

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company

An analysis of turnover by origin is given below

	2011 £
United Kingdom	188,827,985
Rest of Europe	57,239,958
Rest of World	<u>2,739,511</u>
	<u>248,807,454</u>

3. STAFF COSTS

	2011 £
Wages and salaries	18,193,051
Social security costs	2,617,085
Other pension costs	<u>305,431</u>
	<u>21,115,567</u>

Pension contributions outstanding at 31st December 2011 were £nil

The average monthly number of employees (including the directors) during the period was as follows

	2011 no
Sales Staff	287
Administrative Staff	47
Management Staff	<u>7</u>
	<u>341</u>

Directors' emoluments	2011 £
Aggregate emoluments	<u>NIL</u>

None of the directors received any emoluments in respect of qualifying services provided to the company during the period. Directors are remunerated by other members of the Allegis group/Aston Carter group

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD ENDED 31ST DECEMBER 2011

4. OPERATING PROFIT

The operating profit is stated after charging

	2011
	£
Other operating leases	916,764
Depreciation (Note 10)	275,897
Goodwill amortisation (Note 9)	5,940,705
Auditors' remuneration	<u>98,300</u>

Services provided by the company's auditor and its associates

During the period, the group (including its overseas subsidiaries) obtained the following services from the company's auditor and its associates

	2011
	£
Fees payable to company auditor for the audit of parent company and consolidated accounts	34,500
Fees payable to the company's auditor and its associates for other services	2,500
The audit of company's subsidiaries pursuant to legislation	49,300
Tax services	12,000
Total	<u>98,300</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2011
	£
Sales financing interest and charges	75,618
Bank interest and charges	77,990
Interest on taxation	2,093
Interest on loan	2,733,760
Loan fee amortisation	<u>248,448</u>
	<u>3,137,909</u>

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the period was as follows

	2011 £
Current tax	3,874,960
In respect of Prior period	<u>(121,441)</u>
Tax on profit on ordinary activities	<u>3,753,519</u>

Factors affecting the tax charge

The tax assessed for the period is higher than the standard rate of corporation tax in the (UK) The difference is explained below

	2011 £
Profit on ordinary activities before tax	<u>10,521,474</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the (UK) of 26.36% for period	2,773,460
Effects of	
Amortisation non tax deductible	1,691,235
Interest previously provided, now paid crystallising tax deduction	(716,318)
Other non tax deductible costs	58,666
Losses arising	(16,461)
Arising from Exchange Rate	(22,716)
Origination and reversal of timing differences	(37,328)
Adjustment in respect of foreign tax rates	<u>144,422</u>
Current tax charge	<u>3,874,960</u>

In addition to the changes in rates of Corporation tax disclosed above a number of further changes to the (UK) Corporation tax system were announced in the March 2012 (UK) Budget Statement. A resolution passed by Parliament on 26 March 2012 reduced the main rate of corporation tax to 24% from 1 April 2012. Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 is expected to be included in the Finance Act 2012. A further reduction to the main rate is also proposed to reduce the rate to 22% from 1 April 2014. None of these rate reductions had been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

The current tax charge will continue to be affected by timing differences, although these timing differences will have an opposite impact on the deferred tax charge so there should be no overall impact on the tax charge. As at the balance sheet date these further proposed changes had not been substantively enacted and, therefore, are not recognised in these financial statements. The impact of the proposed changes is not expected to be material to the balance sheet.

7. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial period was £2,552,276.

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

8 ACQUISITION OF SUBSIDIARY UNDERTAKINGS

On 31st January 2011 Allegis Group (UK) Holdings Ltd acquired 100% of the ordinary share capital of Allegis Group (UK) Holdings II Ltd which immediately acquired 84.1% of the share capital of Aston Carter Group Limited. Total consideration was £71,695,224. The following table sets out the book values of the identifiable assets and liabilities acquired and their fair value to the group.

	ACG book value £	Fair Value Adjustment £	Fair Value to group £
Fixed assets			
Tangible fixed assets	573,280	-	573,280
Current assets			
Debtors	35,492,621	-	35,492,621
Bank	2,252,859	-	2,252,859
Total assets	38,318,760	-	38,318,760
Creditors < one year	(24,417,404)	-	(24,417,404)
Net assets	13,901,356		13,901,356
Goodwill			57,793,868
Purchase Consideration			71,695,224
Satisfied by,			£
Proceeds from issue of share capital			16,000,001
Other cash payments			55,695,223
Purchase Consideration			71,695,224

On 28th December 2011 Allegis Group (UK) Holdings Ltd acquired 100% of the ordinary share capital of Allegis Group Holdings GMBH. The following table sets out the book values of the identifiable assets and liabilities acquired and their fair value to the group.

	AGH GMBH book Value £	Fair Value Adjustment £	Fair Value to group £
Fixed assets			
Tangible fixed assets	16,323	-	16,323
Current assets			
Debtors	83,964	-	83,964
Bank	1,085	-	1,085
Total assets	101,372	-	101,372
Creditors < one year	(171,398)	-	(171,398)
Net assets	(70,026)		(70,026)
Goodwill			107,716
Purchase Consideration			37,690
Satisfied by,			£
Cash payments			37,690
Purchase Consideration			37,690

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

8 ACQUISITION OF SUBSIDIARY UNDERTAKINGS (continued)

On 28th December 2011 Allegis Group (UK) Holdings Ltd acquired 100% of the ordinary share capital of Allegis Group GMBh. The following table sets out the book values of the identifiable assets and liabilities acquired and their fair value to the group.

	AG GMBh book Value	Fair Value Adjustment	Fair Value to group
	£	£	£
Fixed assets			
Tangible fixed assets	34,748	-	34,748
Current assets			
Debtors	911,235	-	911,235
Bank	9,229	-	9,229
Total assets	955,212	-	955,212
Creditors < one year	(1,229,511)	-	(1,229,511)
Net assets	(274,299)		(274,299)
Goodwill			296,185
Purchase Consideration			21,886
Satisfied by,			£
Cash payments			21,886
Purchase Consideration			21,886

9 INTANGIBLE ASSETS

	Goodwill £
COST	
Arising on 31 1 2011 from Acquisition of Allegis Group (UK) Holdings II Ltd *	57,793,868
Arising on 28 12 2011 from Acquisition of Allegis Group Holdings GMBh**	107,716
Arising on 28 12 2011 from Acquisition of Allegis Group GMBh**	296,185
At 31st December 2011	58,197,769
AMORTISATION	
Charge for the 11 months period to 31st December 2011	5,940,705
At 31st December 2011	5,940,705
NET BOOK VALUE	
At 31st December 2011	52,257,064

* On 31st January 2011 Allegis Group (UK) Holdings Ltd acquired 84.1% of the ordinary share capital of Allegis Group (UK) Holdings II Ltd which immediately acquired 100% of the share capital of Aston Carter Group Ltd. The Goodwill arising is amortised over the goodwill's predicted useful economic life.

** On 28th December 2011 Allegis Group (UK) Holdings Ltd acquired 100% of the ordinary share capital of Allegis Group Holdings GMBh and Allegis Group GMBh. The Goodwill arising has been valued by the directors and amortised over goodwill's predicted useful economic life. No amortisation charge arises in the period to 31 12 2011 as, at that point the companies had only been owned 3 days, and as such no material charge arose at that point.

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

10. TANGIBLE FIXED ASSETS

Group					
	Office equipment £	Fixtures and fittings £	Computer software £	Computer equipment £	Total £
COST					
Acquisition of subsidiaries	202,418	726,012	318,306	652,716	1,899,452
Additions in period	-	5,158	115,357	9,267	129,782
At 31st December 2011	202,418	731,170	433,663	661,983	2,029,234
ACCUMULATED DEPRECIATION					
Acquisition of subsidiary	92,810	392,808	271,376	518,207	1,275,201
Charge for period	20,558	91,102	78,050	86,187	275,897
At 31st December 2011	113,368	483,910	349,426	604,394	1,551,098
NET BOOK VALUE					
At 31st December 2011	89,050	247,260	84,237	57,589	478,136

There were no fixed assets held within the company at 31st December 2011

11. INVESTMENTS

Group	2011 £
Investments	-
	-
Company	2011 £
Investment in Allegis Group (UK) Holdings II Ltd on 31 1 2011	60,295,225
Additional shares acquired during period, in Allegis Group (UK) Holdings II Ltd	188,454
Investment in Allegis Group Holdings GMBh on 28 12 2011	37,690
Investment in Allegis Group GMBh on 28 12 2011	21,886
	60,543,255

Allegis Group (UK) Holdings Limited directly holds 84.1% of the ordinary share capital of the following subsidiaries

	Country of registration and operation	Principal activity
Allegis Group (UK) Holdings II Limited	England and Wales	Holding Company

Allegis Group (UK) Holdings Limited directly holds 100% of the ordinary share capital of the following subsidiaries

Allegis Group Holdings GMBh	Germany	Recruitment consultancy
Allegis Group GMBh	Germany	Recruitment consultancy

The above companies, including the subsidiaries of Allegis Group (UK) Holdings II Ltd have been included within the consolidated financial statements. A full list of the Group's subsidiary undertakings is available upon request.

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

12 DEBTORS

	Group 2011 £	Company 2011 £
Trade Debtors	30,564,230	-
Bad debt provision	(1,059,917)	-
Net trade debtors	29,504,313	-
Amounts owed by group undertakings	-	139,173
Other debtors	297,833	-
Prepayments and accrued income	17,671,980	-
Corporation tax	705,199	581,544
	<u>48,179,325</u>	<u>720,717</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2011 £	Company 2011 £
Trade creditors	5,691,245	-
Sales Finance creditor	1,004,126	-
Corporation tax	3,502,789	-
Amount owed to Group undertakings	670,877	-
Social security and other taxes	3,084,858	-
Other creditors and accruals	14,129,824	47,091
	<u>28,083,719</u>	<u>47,091</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand

14 CREDITORS. AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2011 £	Company 2011 £
Amount owed to Group undertakings	47,733,760	47,733,760
Other Creditors	111,310	111,310
	<u>47,845,070</u>	<u>47,845,070</u>

At 31st December 2011, £47,773,760 is owed to the company by Allegis Group Holdings BV, the company's immediate parent undertaking. An initial amount of £45,000,000 was loaned at 31/1/2011. Interest is charged on this sum at an APR of 6.5% per annum. It is repayable in full on 31/1/2016. Interest is accrued on a 3 month basis and converted to principal quarterly during the year.

'Other Creditors' represent amounts owing to former Minority shareholders of Allegis Group (UK) Holdings II Limited.

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD ENDED 31ST DECEMBER 2011

15. OPERATING LEASE COMMITMENTS

At 31st December 2011 the Group had annual commitments under non-cancellable operating leases for land and buildings expiring as follows

Group

	2011 £
Expiring	
Within one year	178,302
Between one and five years	588,208
	<u>766,510</u>

There were no operating leases within the Company

16. SECURED DEBTS

Sales Finance Creditor debts are secured by way of a fixed and floating charge over all the assets of the Aston Carter Group. Aston Carter Limited, Aston Carter International Limited and Aston Carter Group Limited have cross guaranteed each other's borrowings. At 31 12 2011 the aggregate of secured debt was £1,004,126

17. PROVISIONS FOR LIABILITIES AND CHARGES

	Group £
Balance acquired following acquisition of company on 31 1 2011	231,998
Charged to the profit and loss account in period	<u>36,002</u>
At 31st December 2011	<u>268,000</u>

Provision for dilapidations represents the directors' best estimate of the future liability of at the end of the premises lease term, the outcome of which is uncertain

No provisions were held within the company

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD ENDED 31ST DECEMBER 2011

18. CALLED UP SHARE CAPITAL AND SHARE PREMIUM

Group and Company

Allotted, issued and fully paid Number	Class	Nominal value	2011
94,119	ordinary shares	£1 00	94,119
			<u>94,119</u>

Movement in share capital

	2011
At incorporation on 7th January 2011 (subscriber share)	1
Issued during the period	<u>94,118</u>
At 31st December 2011	<u>94,119</u>

The following were allotted during the period at a premium as shown below

94,118 ordinary shares of £1 00 each for a consideration of £170 00 per share

Share Premium

	£
Shares issued at a premium	
94,118 ordinary shares of £1 00 each for a consideration of £170 00 per share	15,905,882
At 31st December 2011	<u>15,905,882</u>

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD ENDED 31ST DECEMBER 2011

19. RESERVES

Group

	Profit and loss account £	Other reserves £	Total £
Profit for the period	6,767,955	-	6,767,955
Translation of foreign investments	-	(309,898)	(309,898)
At 31st December 2011	<u>6,767,955</u>	<u>(309,898)</u>	<u>6,458,057</u>

Company

	Profit and loss account £	Total £
Loss for the period	<u>(2,552,276)</u>	<u>(2,552,276)</u>
At 31st December 2011	<u>(2,552,276)</u>	<u>(2,552,276)</u>

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>Group</u> Period ended 31st December 2011 £	<u>Company</u> Period ended 31st December 2011 £
Profit /(Loss) for the period	6,767,955	(2,552,276)
Translation of foreign investments	(309,898)	-
Net proceeds of issue of ordinary share capital	<u>16,000,001</u>	<u>16,000,001</u>
Net increase in shareholders' funds & Closing shareholders' funds	<u>22,458,058</u>	<u>13,447,725</u>

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE PERIOD ENDED 31ST DECEMBER 2011**

21. MINORITY INTERESTS

The equity minority interests represent a holding by the Management and Staff of Aston Carter Group Ltd of 15.9% of the ordinary 'A' shares and ordinary 'B' shares of Allegis Group (UK) Holdings II Limited

	2011
	£
At 31st January 2011 Ordinary A Shares	11,399,994
At 31st January 2011 Ordinary B Shares	48,615
Shares Acquired from Minority	(188,254)
	<hr/>
At 31st December 2011	11,260,355

22. RELATED PARTY DISCLOSURES

At 31st December 2011, £47,773,760 is owed to the company by Allegis Group Holdings BV, the company's immediate parent undertaking

At 31st December 2011, £139,173 was owed by Aston Carter Ltd, one of the company's 84.1% owned subsidiaries

The following balances arising from working capital requirements, were owed between group undertakings by group entities, which are related parties due to shared ultimate controlling party

Amounts owed

<u>Entity</u>	<u>£</u>
Allegis Group Ltd	934,719

Amounts receivable

<u>Entity</u>	<u>£</u>
Allegis Holdings BV	203,595
Allegis Services BV	33,740

Remaining group balances owed to/from group entities are deemed not material for disclosure

23. POST BALANCE SHEET EVENTS

On 1st January 2012 Aston Carter International Ltd, an indirect subsidiary of Allegis Group (UK) Holdings Ltd, acquired 100% of the ordinary share capital of Allegis Group Ltd, from Allegis Group Inc, the Ultimate parent undertaking for consideration of £6,500,000

Effective September 13, 2012, Pergal Pty Ltd ("Pergal"), a joint venture owned 50% by Allegis Group Australia Pty Ltd, a subsidiary of Allegis Group (UK) Holdings Limited, and 50% owned by Morgan Banks Investments Pty Limited, acquired all the outstanding shares and options of Talent2 International Pty Limited, a leading human resources business process outsourcing and managed services organization operating in the Asia Pacific region, through a wholly-owned subsidiary, Perbec Pty Ltd. Allegis Group Australia Pty Ltd contributed a total of AU\$81.1 million to the joint venture for the purposes of funding its portion of the purchase price for the shares and options. Of the total AU\$81.1 million contribution to Pergal, AU\$34.7 million was contributed in the form of equity and AU\$46.4 million was contributed in the form of a loan.

ALLEGIS GROUP (UK) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD ENDED 31ST DECEMBER 2011

24. ULTIMATE CONTROLLING PARTY

Allegis Group (UK) Holdings Limited is the parent undertaking of the smallest group to consolidate these financial statements and is incorporated in Great Britain and registered in England

The company's ultimate parent undertaking and controlling party is Allegis Group Inc, a company incorporated in the United States of America. The financial statements of Allegis Group Inc, can be obtained from the following address: 7301 Parkway Drive, Hanover, Maryland 21076 USA. This is the largest group into which Allegis Group (UK) Holdings Limited is consolidated. According to the register kept by the company, Allegis Group Inc, has a 100% interest in the equity capital of the company at 31 December 2011.