

REGISTERED NO: 93338

HAYS HOLDINGS LTD  
REPORT AND FINANCIAL STATEMENTS  
30 JUNE 1996



# HAYS HOLDINGS LTD

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HAYS HOLDINGS LTDREPORT OF THE DIRECTORS

The directors submit herewith their report and the financial statements for the company for the year ended 30 June 1996.

Group accounts have not been prepared as the company is a wholly owned subsidiary of another company incorporated in Great Britain.

Principal Activities

The company is a sub-holding company. It has no employees.

Review of Developments

Investments were acquired during the year as part of a reorganisation of the Group structure. On 1 July 1996 there was a disposal of an investment outside the Group.

Results, Dividends and Transfers to Reserves

The company's profit on ordinary activities after taxation was £42,195,000 (1995 - £56,730,000).

No dividends were paid during the year (1995 - £59,799,000).

Future Developments

The company will continue in the role of a sub-holding company.

Directors

The directors of the company during the year and the beneficial interests of themselves and their families in the shares of Group companies were as follows:

	1p Ordinary Shares in Hays plc of:	
	30 June 1995 or date of appointment	30 June 1996
R E Frost (Chairman)	20,000,000	20,000,000
G J Williams	5,865,000	5,865,000
J P Stock	115,027	104,376
A G Morison	892,258	892,783
N McLachlan	-	5,000

HAYS HOLDINGS LTDREPORT OF THE DIRECTORS (Cont'd)Directors (cont'd)

Options outstanding under Hays plc employee share schemes were as follows:

	1 July 1995 or date of appointment	Granted in period	Exercised in period	30 June 1996
R E Frost	550,870	92,179	-	643,049
G J Williams	364,706	49,441	-	414,147
J P Stock	51,667	15,370	-	67,037
A G Morison	140,158	18,436	(116,510)	42,084
N A McLachlan	71,416	16,383	-	87,799

No director had an interest at any time during the year in any subsisting contract or arrangement to which the company or any other Group company was a party nor did any director hold any shares during the year in the company or any other Group company except as disclosed above.

Payments to Creditors

It is the company's normal practice to make payments to suppliers in accordance with agreed terms provided that the supplier has performed in accordance with the relevant terms and conditions.

Auditors

On 1 February 1996 the company's auditors changed the name under which they practice to Deloitte & Touche and, accordingly, have signed the report in their new name.

The auditors, Deloitte & Touche, are willing to continue in office. Their reappointment, at a remuneration to be agreed by the directors, will be proposed at the Annual General Meeting.

By order of the Board



A G Morison  
Secretary

9 September 1996

HAYS HOLDINGS LTD

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 1996

The directors are obliged under company law to prepare financial statements for each financial year and to present them annually to the company's members in Annual General Meeting.

The financial statements, of which the form and content is prescribed by the Companies Act 1985, must give a true and fair view of the state of affairs of the company at the end of the financial year, and of the result for that period, and they must comply with applicable accounting standards.

The directors are also responsible for the adoption of suitable accounting policies, their consistent use in the financial statements, supported where necessary by reasonable and prudent judgements.

The directors confirm that the above requirements have been complied with in the financial statements. The accounts have been prepared on the going concern basis since the directors are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future.

In addition, the directors are responsible for maintaining adequate accounting records and sufficient internal controls to safeguard the assets of the company and to prevent and detect fraud or any other irregularities.

By order of the Board



A G Morison  
Secretary

9 September 1996

HAYS HOLDINGS LTD  
AUDITORS' REPORT TO THE MEMBERS OF  
HAYS HOLDINGS LTD

We have audited the financial statements on pages 5 to 11 which have been prepared under the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

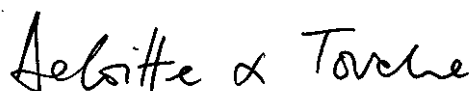
**Basis of opinion**

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

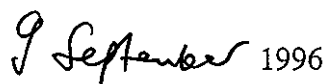
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1996 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche  
Chartered Accountants and Registered Auditors



Hill House  
1 Little New Street  
London  
EC4A 3TR

HAYS HOLDINGS LTD  
PROFIT AND LOSS ACCOUNT  
YEAR ENDED 30 JUNE 1996

	Note	1996 £'000	1995 £'000
CONTINUING ACTIVITIES			
Income from shares in group companies		42,148	61,073
Net operating charges	2	<u>(1,963)</u>	<u>(1,130)</u>
OPERATING PROFIT & PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		40,185	59,943
Interest	3	<u>172</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		40,357	59,943
Tax on profit on ordinary activities	5	<u>1,838</u>	<u>(3,213)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		42,195	56,730
Dividends paid		<u>-</u>	<u>(59,799)</u>
AMOUNT TRANSFERRED TO/(FROM) RESERVES		<u>42,195</u>	<u>(3,069)</u>

There are no recognised gains or losses in either the current or preceding year other than the profit for the financial year. Accordingly no statement of total recognised gains and losses is given.

There is no material difference between the results as disclosed in the profit and loss account and the results on an unmodified historic cost basis. Accordingly, a note of the historic cost profits and losses for the year is not given.

HAYS HOLDINGS LTDBALANCE SHEET 30 JUNE 1996

	Note	1996 £'000	1995 £'000
FIXED ASSET INVESTMENTS	6	<u>166,595</u>	<u>166,528</u>
CURRENT ASSETS			
Debtors	7	139,787	235,918
Cash at bank and in hand		<u>1,554</u>	<u>138</u>
		141,341	236,056
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	<u>(203,119)</u>	<u>(338,032)</u>
NET CURRENT LIABILITIES		<u>(61,778)</u>	<u>(101,976)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		104,817	64,552
PROVISIONS FOR LIABILITIES AND CHARGES	9	<u>-</u>	<u>(1,930)</u>
		<u>104,817</u>	<u>62,622</u>
CAPITAL AND RESERVES			
Called up Share Capital	10	59,987	59,987
Profit and Loss Account	11	<u>44,830</u>	<u>2,635</u>
EQUITY SHAREHOLDERS' FUNDS		<u>104,817</u>	<u>62,622</u>

The financial statements were approved by the Board of Directors on 9 September 1996.

Signed on behalf of the Board of Directors



Director  
A G Morison



HAYS HOLDINGS LTDRECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' INTERESTSYEAR ENDED 30 JUNE 1996

	1996 £'000	1995 £'000
Profit for the financial year	42,195	56,730
Dividends	—	(59,799)
Net increase/(decrease) in shareholders' interests	42,195	(3,069)
Opening shareholders' interests	<u>62,622</u>	<u>65,691</u>
Closing shareholders' interests	<u>104,817</u>	<u>62,622</u>

**HAYS HOLDINGS LTD****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 1996****1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable accounting standards. The particular policies adopted are described below.

**(a) Financial Statements**

The financial statements are prepared under the historical cost convention. The company is a wholly owned subsidiary of Hays plc, which is incorporated in Great Britain and registered in England and Wales, and which prepares consolidated accounts to 30 June. Therefore the financial statements only present information about the company as an individual undertaking.

**(b) Investments**

Shares in subsidiary undertakings are valued at historic cost less any provision for permanent diminution in value.

**(c) Cash Flow Statement**

The company has taken advantage of the exemption granted in Financial Reporting Standard No.1 not to produce a cash flow statement since the ultimate parent company, Hays plc, produces a consolidated cash flow statement including the cash flows of the company.

**(d) Deferred taxation is provided on timing differences arising from the different treatment of items for accounts and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.**

<b>2. NET OPERATING CHARGES</b>	<b>1996</b>	<b>1995</b>
	<b>£'000</b>	<b>£'000</b>
Other operating charges	(263)	(543)
Loss on sale of subsidiaries	<u>(1,700)</u>	<u>(587)</u>
	<u>(1,963)</u>	<u>(1,130)</u>

The remuneration of the auditors has been borne by the ultimate parent company.

HAYS HOLDINGS LTDNOTES TO THE FINANCIAL STATEMENTS (Cont'd)YEAR ENDED 30 JUNE 1996

3. INTEREST	1996 £'000	1995 £'000
Interest payable to group undertakings	(357)	(5,846)
Interest receivable from group undertakings	<u>529</u>	<u>5,846</u>
	<u>172</u>	<u>-</u>

## 4. DIRECTORS' EMOLUMENTS

No director received any remuneration from the company during the year.

5. TAX ON PROFIT ON ORDINARY ACTIVITIES	1996 £'000	1995 £'000
United Kingdom Corporation Tax at 33%	92	33
Income Tax on Franked Investment Income	-	1,250
Deferred Taxation	<u>(1,930)</u>	<u>1,930</u>
	<u>(1,838)</u>	<u>3,213</u>

6. INVESTMENTS	Shares in subsidiary undertakings £'000	Provisions £'000	Net Book Value £'000
Balance at 1 July 1995	170,801	(4,273)	166,528
Additions	3,262	(892)	2,370
Disposals	(2,825)	522	(2,303)
	<u>171,238</u>	<u>(4,643)</u>	<u>166,595</u>

The company has numerous subsidiaries of which the majority are non-trading. Information on all subsidiaries will be included in the next annual return.

HAYS HOLDINGS LTDNOTES TO THE FINANCIAL STATEMENTS (Cont'd)YEAR ENDED 30 JUNE 1996

7. DEBTORS	1996 £'000	1995 £'000
Amounts owed by subsidiary undertakings	139,465	139,465
Amounts owed by fellow subsidiary undertakings	1	95,926
Other debtors	<u>321</u>	<u>527</u>
	<u>139,787</u>	<u>235,918</u>
Debtors due after one year total £Nil (1995: £Nil)		
8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1996 £'000	1995 £'000
Amounts owed to subsidiary undertakings	92,862	93,074
Amounts owed to parent undertaking	102,489	242,386
Amounts owed to fellow subsidiary undertaking	1,165	1,165
Other creditors	6,511	1,124
Taxation	<u>92</u>	<u>283</u>
	<u>203,119</u>	<u>338,032</u>
9. PROVISIONS FOR LIABILITIES AND CHARGES		Deferred Tax
Balance at 1 July 1995		1,930
Charged to profit and loss account		<u>(1,930)</u>
Balance at 30 June 1996		<u>-</u>
10. CALLED UP SHARE CAPITAL	1996 £'000	1995 £'000
Authorised: 100,000,000 Ordinary Shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted and fully paid: 59,986,713 Ordinary Shares of £1 each	<u>59,987</u>	<u>59,987</u>

HAYS HOLDINGS LTDNOTES TO THE FINANCIAL STATEMENTS (Cont'd)YEAR ENDED 30 JUNE 1996

## 11. RESERVES

Profit and  
Loss account  
£'000

Balance at 1 July 1995	2,635
Amount transferred to reserves	<u>42,195</u>
Balance at 30 June 1996	<u>44,830</u>

## 12. ULTIMATE PARENT COMPANY

The ultimate parent company is Hays plc, which is registered in England and Wales. Copies of the group financial statements of Hays plc may be obtained from Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.