

KF WHM (UK) Limited

(Formerly Whitehead Mann Limited)

Reports and Financial Statements

30 April 2019



KF WHM (UK) Limited
(Formerly Whitehead Mann Limited)

Directors

J Slater
S Jeffreys

Secretary

T Goodes

Auditor

Ernst & Young LLP
1 More London Place
London SE1 2AF

Solicitor

Morrison & Foerster
CityPoint,
One Ropemaker Street
London EC2Y 9AW

Registered Office

Ryder Court
14 Ryder Street
London SW1Y 6QB

Strategic Report

The Directors present the Strategic Report, together with the financial statements and the auditors' report of KF WHM (UK) Limited (the "Company") for the year ended 30 April 2019.

Principal activities

The principal activity of the Company is that of a holding company. The Company has not traded during the year or subsequent to year end.

The nature of company will continue to be that of a holding company.

Principal risks and uncertainties

Interest rate risk

The Company has minimal interest rate risk since it holds no external debt. The Company has no intercompany loans. Given that the Company is in a net intercompany receivable position, the risk is minimal.

Credit risk

Company policies are aimed at minimising credit risk, and require that extended payment terms are only granted to customers who demonstrate an appropriate payment history. In addition, all new customers are subject to credit worthiness procedures.

Longevity risk

The Corporate Partner that the Company receives the profit share from works in a competitive environment, affected by economic activity. Economic uncertainty can have an adverse impact on the business as organisations hire fewer senior permanent employees in times of economic recovery. In addition the business faces competition from alternative and cheaper recruitment channels (including the internet) as well as an increasing number of smaller "boutique" recruitment firms which operate with lower overheads and thus have more flexible pricing models.

The current global economic environment has remained volatile. However, due to the Corporate Partner's brand and reputation, Korn Ferry WHM has been well positioned to take advantage any demand from the markets. The business is aware that conditions can change but due to the diverse services that the Partnership provides and being able to leverage the Korn Ferry WHM franchise and drawing on the deep pool of Korn Ferry Executive Search expertise, not only in the UK but in Continental Europe and beyond, the members' believe the long term outlook remains positive.

Subsequent to the year end the company has identified a new and emerging risk relating to the COVID-19 (coronavirus) pandemic. During the first few months of 2020 the virus had spread globally and its negative impact on businesses had gained momentum. Management considers this outbreak to be a non-adjusting post balance sheet event. The Group has performed analysis to consider potential downside scenarios resulting from the impacts of novel COVID-19 on the Group's businesses, with the most significant downside scenario modelled, being an extreme situation which assumes longer lasting closures and trade impacts than the stretch scenarios so far indicated by respective government's of the countries within which the Group operates.

Covid-19 has had a negative impact on the business with revenue decreasing slightly in Q4 FY20 compared to Q3 FY20 and Q4 FY19. However, the cash collection has remained good and cash balances have remained consistent. One reason for this is the cost cutting measures that Korn Ferry embarked on, by vastly reducing travel costs, utilisation of the Government furlough scheme and a restructuring exercise.

Strategic Report (continued)

Longevity risk (continued)

Business for Korn Ferry has not been as dramatically impacted as others as due to the nature of the business employees can efficiently work from and still be in regular contact with customers and colleagues. Korn Ferry has used the remote working as an opportunity to sell Advisory work to clients as to how to structure their business to facilitate the remote working scenario.

The extreme scenario is based on significantly reduced revenue for the remainder of 2020 and limited reduction to costs not directly resulting from revenue. Having prepared forecasts beyond the 12 months subsequent to the date of signing which included consideration of this scenario analysis, the Directors conclude that as at the date of issuance of these financial statements, it is reasonable to assume that the company will be able to continue as a going concern for at least the coming 12 months.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. As with all service companies, the Company has a high level of fixed costs and its liquidity levels are therefore susceptible to downturns in revenue. In order to minimise this exposure every potential significant additional fixed cost is carefully reviewed to ensure that its benefit to the business will outweigh the ensuing increase in operational leverage. The ultimate parent undertaking holds a strong cash position which would be able to support the Company if required.

On behalf of the Board



Julian Slater
Director

Date: 09/06/20

Registered No. 1288875

Directors' report

The directors present their report and financial statements for the year ended 30 April 2019.

Indemnity Provision

In terms of section 234 of the Companies Act 2006, the Directors of the Company have been granted Qualifying Third Party Indemnity Provisions by the Company, which remain in force as at the date of approving the Strategic Report and the Directors' Report.

Results and dividends

The profit for the year ended 30 April 2019 after taxation amounted to £4,678,480 (2018 - £5,804,098). The directors do not recommend a final dividend (2018 – £nil).

Going concern

The Corporate partner, Korn Ferry WHM LLP, from which KF WHM (UK) Limited received profit share as income has considerable financial resources together with a strong brand and a robust client base across different geographical areas and industries. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current economic outlook.

Covid-19 has had a negative impact on the business with revenue decreasing slightly in Q4 FY20 compared to Q3 FY20 and Q4 FY19. However, the cash collection has remained good and cash balances have remained consistent. One reason for this is the cost cutting measures that Korn Ferry embarked on, by vastly reducing travel costs, utilisation of the Government furlough scheme and a restructuring exercise.

Business for Korn Ferry has not been as dramatically impacted as others as due to the nature of the business employees can efficiently work from and still be in regular contact with customers and colleagues. Korn Ferry has used the remote working as an opportunity to sell Advisory work to clients as to how to structure their business to facilitate the remote working scenario.

The directors have reviewed detailed forecasts for the Company to 30 May 2021, including potential downside scenarios resulting from impact of Covid-19, and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In addition, the company has received a letter of support from its parent agreeing to cover financial obligations. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The directors who served the Company during the year were as follows:

J Slater
S Jeffreys

Directors' report (continued)

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



J Slater
Director

Date: 09/06/20

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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 proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

**to the members of KF WHM (UK) Limited
(Formerly Whitehead Mann Limited)**

Opinion

We have audited the financial statements of KF WHM (UK) Limited (the Company), which comprise the statement of financial position as at 30 April 2019, the statement of comprehensive income, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- present fairly, in all material respects, the financial position of the Company as at 30 April 2019 and its financial performance for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of Matter – Effects of Coronavirus

We draw attention to Note 1 of the financial statements, which describes the economic and social disruption the Group is facing as a result of Coronavirus which is impacting Group operations. Our opinion is not modified in respect of this matter.

Independent auditors' report (continued)

**to the members of KF WHM (UK) Limited
(Formerly Whitehead Mann Limited)**

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditors' report (continued)

**to the members of KF WHM (UK) Limited
(Formerly Whitehead Mann Limited)**

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

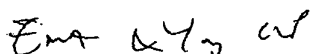
Auditor's responsibilities for the audit of the financial statements (continued)

conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed



Gordon Cullen (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

Date: 10 June 2020

KF WHM (UK) Limited
(Formerly Whitehead Mann Limited)

Profit and loss account

for the year ended 30 April 2019

		2019	2018
	Notes	£000	£000
Operating charges		(15)	(24)
Operating Loss	2	(15)	(24)
Other income	3	5,607	5,190
Profit on ordinary activities before taxation		5,592	5,166
Tax	5	(913)	638
Profit for the financial year		<u>4,679</u>	<u>5,804</u>

All amounts relate to continuing activities.

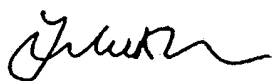
KF WHM (UK) Limited
(Formerly Whitehead Mann Limited)

Balance sheet

at 30 April 2019

	Notes	2019 £000	2018 £000
Fixed assets			
Investments	6	32,576	26,969
Current assets			
Debtors	7	6,406	6,529
Creditors: amounts falling due within one year	8	<u>(4,808)</u>	<u>(4,003)</u>
Net current assets		<u>1,598</u>	<u>2,526</u>
Total assets less current liabilities		<u>34,174</u>	<u>29,495</u>
Net assets		<u>34,174</u>	<u>29,495</u>
Capital and reserves			
Called up share capital	9	25,966	25,966
Capital contribution		483	483
Profit and loss account		<u>7,725</u>	<u>3,046</u>
Shareholder's funds		<u>34,174</u>	<u>29,495</u>

These financial statements were approved by the Board of Directors and signed on their behalf by:



J Slater
Director
Date: 09/06/20

KF WHM (UK) Limited
(Formerly Whitehead Mann Limited)

Statement of Changes in Equity

As at 30 April 2019

	Called up Share Capital £000	Capital Contribution £000	Profit and loss account £000	Total Equity £000
Balance at 1 May 2017	25,966	483	(2,758)	23,691
Total comprehensive income for the period				
Profit for the year	-	-	5,804	5,804
Balance at 30 April 2018	25,966	483	3,046	29,495

	Called up Share Capital £000	Capital Contribution £000	Profit and Loss account £000	Total Equity £000
Balance at 1 May 2018	25,966	483	3,046	29,495
Total comprehensive income for the period				
Profit for the year	-	-	4,679	4,679
Balance at 30 April 2019	25,966	483	7,725	34,174

Notes to the financial statements

at 30 April 2019

1. Accounting policies

Basis of preparation

KF WHM (UK) Limited is a company incorporated in England & Wales under Companies Act. The address of the registered office is given on page 1 and its principal activities are set out in the Strategic Report.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £000.

Summary of Disclosure Exemptions

The financial statements contain information about KF WHM (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group.

Going Concern

The directors have reviewed detailed forecasts for the Company to 30 May 2021 and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In addition, the company has received a letter of support from its parent agreeing to cover financial obligations. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Group financial statements

The Company's ultimate parent undertaking, Korn/Ferry International Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Korn Ferry International are prepared in accordance with US GAAP. In these financial statements, the company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Korn Ferry International include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

Notes to the financial statements

at 30 April 2019

1. Accounting policies (continued)

Turnover

Turnover comprises the amount receivable (excluding VAT) in respect of all services provided in the period in the normal course of business. Revenue is recognised when the Company has performed services in accordance with the agreement with the relevant client and has obtained a right to consideration for those services.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Investments

In the balance sheet of the Company, investment is stated at cost, unless its value has been impaired in which case it is valued at its realisable value or value in use as appropriate.

Provisions for liabilities

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The effect of the time value of money is not material and therefore the provisions are not discounted.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There have been no judgements that have had a significant effect on amounts recognised in the financial statements

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Notes to the financial statements

at 30 April 2019

1. Accounting policies (continued)

Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial instruments

Investments in ordinary shares

Investments in equity instruments are measured initially at historic cost value, which is normally the transaction price. The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Investments in subsidiaries and associates

These are separate financial statements of the company. Investments in subsidiaries and associates are carried at cost less impairment in accordance with FRS 102.17.15E-F, *Property, Plant and Equipment*, with net revaluation gains recognised in OCI and net revaluation losses in profit or loss.

2. Operating Loss

Operating Loss is stated after charging:

	2019	2018
	£000	£000
Auditors' remuneration		
- Audit services	15	12
- Tax compliance services	8	5
	<u>23</u>	<u>17</u>

Notes to the financial statements

at 30 April 2019

3. Other income

Other income is represented by:

	2019 £000	2018 £000
Share of profits from membership in Korn Ferry WHM LLP (formerly known as The Whitehead Mann Partnership LLP)	5,607	5,190

The Company is the corporate member in Korn Ferry WHM LLP (formerly known as The Whitehead Mann Partnership LLP), a partnership undertaking executive search business focused on board level placements. KF WHM (UK) Limited earns profits at the sole discretion of the partnership.

4. Directors' remuneration

The Directors remuneration for services rendered during the year ended 30 April 2019 is nil (30 April 2018 – Nil). No amounts are recharged from other group companies for the services rendered to this entity by the Directors due to this being a holding company that does not participate in trade.

5. Tax

(a) Tax on (Loss)/Profit on ordinary activities

The tax charge is made up as follows:

	2019 £000	2018 £000
Current tax:		
UK corporation tax on the profit for the period	735	52
Adjustments in respect of prior years	178	(690)
Foreign tax	-	-
Total current tax (note 5b)	913	(638)
Tax on (Loss)/Profit on ordinary activities	913	(638)

Notes to the financial statements

at 30 April 2019

5. Tax (continued)

(b) Factors affecting current tax charge for the period

The tax assessed for the year is lower/higher than the standard rate of corporation tax in the UK of 19.0% (2018 – 19%). The differences are explained below:

	2019 £000	2018 £000
Profit on ordinary activities before tax	5,592	5,166
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2018 – 19%)	1,062	982
<i>Effects of:</i>		
(Income not chargeable) expenditure not deductible for tax purposes	-	-
Group relief for nil consideration	178	(911)
Taxable share of partnership profits	(320)	(19)
Adjustments in respect of prior periods	(7)	(690)
Current tax charge/ (credit) for the year (note 5)	913	(638)

The main corporation tax rate reduced from 20% to the current rate of 19% on 1 April 2017. The Finance Act 2016 includes legislation which will reduce the tax rate to 17% from 1 April 2020. This became law when The Finance Act 2016 received Royal Assent on 15 September 2016. Following the budget resolution on 17 March 2020, the main UK corporation tax rate will remain at 19% from 1 April 2020 (cancelling the enacted cut to 17%). This became substantially enacted post year end on 17 March 2020.

6. Investments

	Total £000
At 01 May 2018	26,969
Share of LLP profits for the year	5,607
At 30 April 2019	32,576

The Company is the corporate member in Korn Ferry WHM LLP (formerly known as The Whitehead Mann Limited Partnership LLP) a partnership undertaking executive search business focused on board level placements. Korn Ferry WHM LLP earns profits at the sole discretion of the partnership.

Notes to the financial statements

at 30 April 2019

7. Debtors

	2019	2018
	£000	£000
Amounts due from other group company undertakings	6,406	6,412
Other taxes and social security costs	-	117
	<u>6,406</u>	<u>6,529</u>

8. Creditors: amounts falling due within one year

	2019	2018
	£000	£000
Trade creditors	-	8
Amounts due to parent undertaking	4,134	3,766
Corporate tax	445	-
Accruals and deferred income	29	29
Amounts owed to other group company undertakings	200	200
	<u>4,808</u>	<u>4,003</u>

Amounts due to/from parent undertakings and other group company undertakings are unsecured and repayable on demand.

9. Issued share capital

<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>2019</i> <i>£000</i>	<i>No.</i>	<i>2018</i> <i>£000</i>
Ordinary shares of £1 each	24,004,765	24,005	24,004,765	24,005
Deferred shares of £1 each	1,960,907	1,961	1,960,907	1,961
Total	<u>25,965,672</u>	<u>25,966</u>	<u>25,965,672</u>	<u>25,966</u>

Rights and restrictions of the deferred shares

The deferred shares shall not be entitled to any dividend or distribution and deferred shareholders do not have the right to attend or vote at any general meeting of the Company.

On winding-up of the Company, the holder of each deferred share has the right to receive the par value of its shares after all share capital (including premium) on the ordinary shares in issue has been paid.

Notes to the financial statements

at 30 April 2019

10. Related party transactions

The Company is exempt from the requirements of FRS 102 to disclose transactions between wholly owned subsidiaries of Korn/Ferry International whose financial statements consolidate the result of the subsidiary and are publicly available.

11. Subsequent Events

The impact on Group's operations of COVID-19 pandemic has been discussed in Strategic and Directors reports. This is considered a non-adjusting post balance sheet event. The potential downside scenarios considered by management do not indicate a risk of material impairment. The impact will be incorporated into the company's impairments in 2020. Management will continue to monitor the potential impact and will take all steps possible to mitigate any effects.

12. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Korn Ferry (UK) Limited, a Company registered in England and Wales.

The directors' regard the ultimate parent undertaking and controlling party and the parent undertaking of the smallest and largest Company of undertakings for which Company financial statements are drawn up and of which the Company is a member as Korn/Ferry International, a Company incorporated in the United States and quoted on the New York Stock Exchange. Copies of Company financial statements of Korn/Ferry International can be obtained from 1900 Avenue of the Stars, Suite 2600, Los Angeles, California 90067, USA.