

# Heman Contracts Limited

Annual report and accounts  
for the year ended 31 December 1999

Registered number: 2313954



## Directors and Officers

### **Directors**

D A Lake

M R Sarson

### **Registered office**

24 Stafford Place

London

SW1E 6NG

### **Auditors**

Ernst & Young

400 Capability Green

Luton

LU1 3LU

## Directors' report

For the year ended 31 December 1999

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 December 1999.

### Principal activities and business review

The company did not trade during the financial year and accordingly no profit and loss account is presented.

### Dividends

The directors do not recommend the payment of a dividend (1998: £ Nil).

### Directors

The directors who served during the year were:

J D Abrahamson (resigned 6 July 1999)

G I Brailey (resigned 25 March 1999)

R C Eden (resigned 25 March 1999)

D A Lake (appointed 4 May 1999)

M R Sarson (appointed 25 March 1999)

### Directors' interests in shares

None of the directors had any interest in the share capital of the company at any time.

D A Lake was a director of the ultimate parent company at 31 December 1999 and his interest in the share capital of that company is as shown in the accounts of that company.

The interests in the share capital of the ultimate parent company of the other directors holding office at 31 December 1999 were as follows:

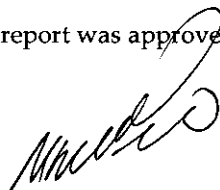
	Share options 1999	Share options 1998 (or date of appointment)	Ordinary shares of 10p each 1999	Ordinary shares of 10p each 1998 (or date of appointment)
	Number	Number	Number	Number
M R Sarson	55,902	-	-	-

## Directors' report (continued)

### **Auditors**

Arthur Andersen have not sought re-election as auditors to the company and Ernst & Young have been appointed in their place.

This report was approved by the board on 25 August 2000.



**M R Sarson**

**Director**

24 Stafford Place

London

SW1E 6NG

## Directors' responsibilities

### **Accounts, including adoption of going concern basis**

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts. In preparing the accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Auditors' report

## To the shareholders of Heman Contracts Limited

We have audited the accounts on pages 5 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

### Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

### 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the company, 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 accounts 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 accounts.

### Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 December 1999 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young

Registered Auditors

Luton

25 August 2000.

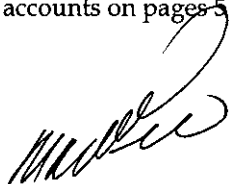
# Balance sheet

31 December 1999

	Notes	1999 £	1998 £
<b>Fixed assets</b>			
Investments	3	<u>50,000</u>	<u>50,000</u>
<b>Current assets</b>			
Debtors	4	3,205,000	3,205,000
Creditors: amounts falling due within one year	5	<u>(255,000)</u>	<u>(255,000)</u>
<b>Net current assets</b>		<u>2,950,000</u>	<u>2,950,000</u>
<b>Total assets less current liabilities</b>		<u>3,000,000</u>	<u>3,000,000</u>
<b>Capital and reserves</b>			
Called up share capital	6	6,400	6,400
Share premium account		2,499,000	2,499,000
Profit and loss account		<u>494,600</u>	<u>494,600</u>
<b>Total shareholders' funds</b>		<u>3,000,000</u>	<u>3,000,000</u>
<b>Analysis of shareholders' funds</b>			
Equity shareholders' funds		2,994,000	2,994,000
Non-equity shareholders' funds	6	<u>6,000</u>	<u>6,000</u>
		<u>3,000,000</u>	<u>3,000,000</u>

The accompanying notes are an integral part of this balance sheet.

The accounts on pages 5 to 8 were approved by the board on 25 August 2000.



**M R Sarson**  
**Director**

# Notes to the accounts

31 December 1999

## 1. Accounting policies

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

### *a) Basis of accounting*

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is dependent, in the absence of other funding, on the continued support of the ultimate parent company, The Corporate Services Group PLC. The ultimate parent company has confirmed that it will continue to support the company.

On this basis, the directors consider it appropriate to prepare the accounts on the going concern basis. The accounts do not include any adjustments that might be necessary if The Corporate Services Group PLC were not to provide further support.

### *b) Investments*

Fixed asset investments are shown at cost less provision for diminution in value.

### *c) Consolidation*

The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare group accounts because it is a wholly owned subsidiary of The Corporate Services Group PLC which prepares consolidated accounts which are publicly available. Accordingly, these accounts are those of the company and not of its group.

### *d) Profit and loss account*

The company did not trade during the current or preceding year and, accordingly, a profit and loss account has not been prepared.

## 2. Directors

No remuneration was paid to the directors during the year (1998: £ Nil). 218,951 options (1998: Nil) to acquire shares in the ultimate parent company were granted to the directors during the year. One director (1998: one director) exercised options over 108,608 shares (1998: 49,897) in the ultimate parent company during the year.

## 3. Fixed asset investments

	Investment in subsidiary undertakings
Cost	£
1 January 1999 and 31 December 1999	50,000

In the opinion of the directors the aggregate market value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.



## Notes to the accounts (continued)

### 3. Fixed asset investments (continued)

The company has investments in the following undertakings:

Name of undertaking	Principal activities	Class of shares held	Holding
<b>Subsidiary undertakings</b>			
Greycoat Executive Resourcing Limited	Executive search and selection	Ordinary	100%
Heman All-Tech Limited	Dormant	Ordinary	99%
<b>Participating interest</b>			
Manton Construction Limited	Dormant	Ordinary	50%

### 4. Debtors

	1999 £	1998 £
Amounts owed by other group undertakings	<u>3,205,000</u>	<u>3,205,000</u>

### 5. Creditors: amounts falling due within one year

	1999 £	1998 £
Amounts owed to other group undertakings	50,000	50,000
Corporation tax	<u>205,000</u>	<u>205,000</u>
	<u>255,000</u>	<u>255,000</u>

### 6. Share capital

	1999 £	1998 £
<b>Authorised, allotted, issued and fully paid</b>		
6,000 Deferred shares of £1 each	6,000	6,000
600 Ordinary shares of US\$1 each	<u>400</u>	<u>400</u>
	<u>6,400</u>	<u>6,400</u>

On a distribution, the holders of the deferred shares are not entitled to any dividend or any participation of whatever nature in the profits or assets of the company.

On a winding up, the holders of the deferred shares are entitled out of the surplus assets of the company to a return of the capital paid up on the deferred shares held.

The holders of deferred shares are not entitled to attend and vote at any general meeting of the company.

## Notes to the accounts (continued)

### 7. Contingent liabilities

The company has given cross guarantees as follows:

- a) As part of the invoice discounting facility of the group of which the company is a member; the net aggregate amount outstanding against this facility at 31 December 1999 was £68,934,000 (1998: £80,183,000).
- b) As part of the overdraft facility; the net aggregate amount outstanding against this facility at 31 December 1999 was £ 5,126,000 (1998: £537,000).
- c) In respect of borrowings by the ultimate parent company; the net aggregate amount outstanding at 31 December 1999 was £ 2,493,000 (1998: £3,111,000) of which £221,000 was repaid on 4 May 2000.

### 8. Related party transactions

The company has taken advantage of the exemption granted to 90% subsidiaries not to disclose transactions with group undertakings under the provisions of Financial Reporting Standard No. 8 "Related Party Disclosures".

### 9. Parent undertakings and controlling party

The company's immediate parent undertaking is Forward Recruitment Consultants Limited, a company incorporated in Great Britain. The directors regard The Corporate Services Group PLC, a company incorporated in Great Britain, as the ultimate parent undertaking and the ultimate controlling party.

The parent undertaking of the largest and smallest group which includes the company and for which group accounts are prepared is The Corporate Services Group PLC. Copies of the group accounts of The Corporate Services Group PLC have been delivered to, and are available from, the Registrar of Companies, Companies Registration Office, Crown Way, Maindy, Cardiff, CF4 3UZ.