

Company Registration No. 03504831

Axis Resources Holdings Limited

Annual Report and Financial Statements

For the year ended 30 June 2016

13/10/2016



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Axis Resources Holdings Limited

Annual Report and Financial Statements for the year ended 30 June 2016

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Axis Resources Holdings Limited

Annual Report and Financial Statements for the year ended 30 June 2016

Officers and professional advisers

Directors

Hays Nominees Limited

M Berry (resigned 7 October 2016)

I Pratt (appointed 7 October 2016)

Secretary

Hays Nominees Limited

Registered office

250 Euston Road

London

NW1 2AF

Auditor

Deloitte LLP

Chartered Accountants and Statutory Auditor

London

United Kingdom

Axis Resources Holdings Limited

Directors' report

The directors present their annual report and audited financial statements for Axis Resources Holdings Limited (the "Company") for the year ended 30 June 2016.

This Directors' report has been prepared in accordance with the provisions of Section 415A of the Companies Act 2006, applicable to companies subject to the small companies regime. The directors have also taken advantage of Section 414B of the Companies Act 2006, exempting the requirement to prepare a strategic report.

Change in accounting framework

The Company has adopted Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101"). In previous years, the Company had applied applicable UK accounting standards. There has been no impact on the figures reported in these financial statements as a result of this change.

Principal activities

The Company is an intermediate holding company and has no employees. The loss is generated in the current and prior year from an interest charge made on an inter-company borrowing. No dividend was paid or proposed for the year (2015: £nil).

Future developments

The Directors expect the general level of activity to remain consistent with 2016 in the forthcoming year, in line with the future developments of the Group, for which details can be found in the Strategic Report of the Group's annual report and financial statements of Hays plc.

Financial risk management objectives and policies

The Company's ultimate parent is Hays plc and the Directors have formed the judgement that the level of risk is insignificant in the foreseeable future and consistent with the Group details which can be found in the Strategic Report of the Group's annual report and financial statements of Hays plc.

Directors

The names of the current directors and those who served during the year are set out on page 1.

Going concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 2 of the financial statements.

Auditor

Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that they ought to have taken as a director in order to be made aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Deloitte LLP will resign as the Company's auditor following the completion of these financial statements. Following the resignation of Deloitte LLP, the board of directors will appoint PricewaterhouseCoopers LLP ("PwC") as auditor of the Company pursuant to Section 485(3) of the Companies Act 2006.

This report has been prepared in accordance with the special provisions relating to small companies under Part 15 of the Companies Act 2006.

Approved by the Board of Directors and signed on its behalf.



C Winters

For and on behalf of Hays Nominees Limited
Company Secretary
13 October 2016

Axis Resources Holdings Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 accounting 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 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 auditor's report to the members of Axis Resources Holdings Limited

We have audited the financial statements of Axis Resources Holdings Limited for the year ended 30 June 2016 which comprise the income statement, the statement of comprehensive income, the balance sheet and the statement of changes in equity and the related notes 1 to 14. 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), including FRS 101 "Reduced Disclosure Framework".

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, 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.

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 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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2016 and of its loss 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.

Opinion on other matter 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Directors' report.

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, 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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report and in preparing the Directors' report.



Andrew Evans, FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor, London, United Kingdom

13 October 2016

Axis Resources Holdings Limited

Income statement for the year ended 30 June 2016

In £'000	Notes	2016	2015
Administrative expenses	3	-	-
Operating result		-	-
Finance costs	4	(216)	(210)
Loss before taxation		(216)	(210)
Tax	6	43	44
Loss for the financial year attributable to owners of the Company		<u>(173)</u>	<u>(166)</u>

Loss is all derived from continuing operations.

Statement of comprehensive income for the year ended 30 June 2016

In £'000	2016	2015
Loss for the financial year	<u>(173)</u>	<u>(166)</u>
Other comprehensive expense for the year net of tax	-	-
Total comprehensive expense for the year attributable to the owners of the Company	<u>(173)</u>	<u>(166)</u>

Axis Resources Holdings Limited

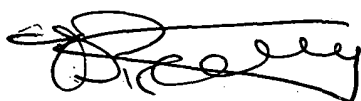
Balance sheet As at 30 June 2016

Notes

In £'000		2016	2015
Current assets			
Trade and other receivables	8	43	44
Current liabilities			
Trade and other payables - due within one year	9	(16,850)	(16,678)
		(16,850)	(16,678)
Non current liabilities			
Trade and other payables - due after one year	10	(464)	(464)
		(464)	(464)
Total liabilities		(17,314)	(17,142)
Net liabilities		(17,271)	(17,098)
Equity			
Share capital	11	230	230
Retained earnings	12	(17,501)	(17,328)
Equity attributable to owners of the Company		(17,271)	(17,098)

The financial statements of Axis Resources Holdings Limited, registered number 03504831, have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and were approved by the Board of Directors and authorised for issue on 13 October 2016.

Signed on behalf of the Board of Directors



I Pratt
Director

Axis Resources Holdings Limited

Statement of changes in equity For the year ended 30 June 2016

In £'000	Share capital	Retained earnings	Total
At 1 July 2015	230	(17,328)	(17,098)
Loss for the year	-	(173)	(173)
Total comprehensive expense for the year	-	(173)	(173)
At 30 June 2016	230	(17,501)	(17,271)

In £'000	Share capital	Retained earnings	Total
At 1 July 2014	230	(17,162)	(16,932)
Loss for the year	-	(166)	(166)
Total comprehensive expense for the year	-	(166)	(166)
At 30 June 2015	230	(17,328)	(17,098)

Axis Resources Holdings Limited

Notes to the financial statements For the year ended 30 June 2016

1. General information

Axis Resources Holdings Limited is a company incorporated in the United Kingdom under the Companies Act 2006.

The Company is a private company limited by shares and is registered in England and Wales. The address of the Company's registered office is shown on page 1.

The nature of the Company's operations and its principal activities are set out in the Directors' report on page 2.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 and the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 prior to their mandatory effective date of accounting periods beginning on or after 1 January 2016.

New standards and interpretations

In the current year, the Company has applied a number of amendments to IFRSs and a new Interpretation issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting year that begins on or after 1 January 2015. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- IAS 19 (amendments) Employee Benefits (EU adoption from 1 February 2015)
- Annual Improvements to IFRSs 2012 (EU adoption from 1 February 2015)
- Annual Improvements to IFRSs 2013 (EU adoption from 1 January 2015)

2. Significant accounting policies

Basis of accounting

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council (FRC). Accordingly, in the year ended 30 June 2016 the Company has undergone transition from reporting under IFRSs adopted by the European Union to FRS 101 as issued by the FRC. The financial statements have therefore been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the FRC. This transition is not considered to have had a material effect on the financial statements.

As permitted by FRS101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to certain disclosures regarding the Company's capital, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, certain related party transactions and the effect of future accounting standards not yet adopted.

Where relevant equivalent disclosures have been given in the financial statements of the Group accounts of Hays plc.

Axis Resources Holdings Limited

Notes to the financial statements (continued) For the year ended 30 June 2016

2. Significant accounting policies (continued)

Basis of accounting (continued)

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted; and
- disclosure of related party transactions with wholly owned members of the Group headed by the ultimate parent company, Hays plc.

The above disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Hays plc into which the Company is consolidated.

The financial statements have been prepared on the historical cost basis.

Going concern

The Company's ultimate parent is Hays plc. The Company utilises a loan facility from Hays plc on which it pays interest. The directors of Hays plc have confirmed in writing that they will continue to provide the necessary financial support to the Company, to enable them to meet their liabilities as they fall due during the next 12 months from the date of approval of the financial statements. Hays plc made a profit on ordinary activities after taxation in the year ended 30 June 2016 of £43.3 million, and as at 30 June 2016 had net assets of £672.4 million; copies of the financial statements for Hays plc are available from the Company Secretary's office at 250 Euston Road, London NW1 2AF.

After making enquiries, the directors have formed the judgment, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

Investments in subsidiaries

Shares in subsidiaries are valued at cost less provision for impairment, and are reviewed for impairment at least annually. Investments in foreign subsidiaries which are denominated in foreign currencies are translated at the year end rates where the difference arising is included in the translation reserve.

Consolidated financial statements

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Hays plc.

Axis Resources Holdings Limited

Notes to the financial statements (continued) For the year ended 30 June 2016

2. Significant accounting policies (continued)

Current and deferred taxation

The tax expense comprises both current and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on all temporary differences, at rates that are enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that taxable profits will be available against which to offset the deductible temporary differences.

Temporary differences arise where there is a difference between the accounting carrying value in the Balance Sheet and the amount attributed to that asset or liability for tax purposes. Temporary differences arising from goodwill and, except in a business combination, the initial recognition of assets or liabilities that affect neither accounting profit nor taxable profit, are not provided for.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Company is able to control the reversal of temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no critical judgements that the directors have made in the process of applying the Company's accounting policies that have a significant effect on the amounts recognised in financial statements.

3. Administrative expenses

The fees payable to the Company's auditor for the audit of the Company's annual accounts, which amounted to £2,100 for the year ended 30 June 2016 (30 June 2015: £2,100), were borne and not recharged by a fellow Group company for both the previous and current years. There were no non-audit fees in either the current or prior year.

4. Finance costs

In £'000	2016	2015
Group inter-company interest payable	<u>216</u>	<u>210</u>

5. Information regarding employees including directors

The Company had no employees in the current or previous year. The directors did not receive any remuneration for their services to the Company during the current or previous year.

Axis Resources Holdings Limited

Notes to the financial statements (continued) For the year ended 30 June 2016

6. Income tax relating to continuing operations

The tax credit for the year is comprised of the following:

In £'000	2016	2015
Current tax:		
Current tax credit in respect of the current year	43	44
	<u>43</u>	<u>44</u>

The income tax credit for the year can be reconciled to the accounting loss as follows:

In £'000	2016	2015
Loss before tax from continuing operations	(216)	(210)
Income tax credit calculated at 20.00% (2015: 20.75%)	<u>43</u>	<u>44</u>

The tax rate used for 2016 is the corporate tax rate of 20.00% (2015: 20.75%) payable by corporate entities in the United Kingdom on taxable profits under tax law in that jurisdiction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the periods in which they reverse. The date enacted or substantively enacted for the relevant periods of reversal are: 19% from 1 April 2017 and 18% from 1 April 2020 in the UK (2015: 19%).

In March 2016, the UK Government announced a reduction in the main rate of UK corporation tax to 17% with effect from 1 April 2020. The reduction to 17% has not been substantively enacted and has therefore not been reflected in the figures above. The impact of the future rate reduction will be accounted for to the extent that it is enacted at future balance sheet dates; however, it is estimated that this will not have a material impact on the Company.

7. Investment in subsidiaries

In £'000	2016	2015
Cost		
As at 1 July and 30 June	<u>9,773</u>	<u>9,773</u>
Provision for impairment		
As at 1 July and 30 June	<u>(9,773)</u>	<u>(9,773)</u>
Net book value		
As at 1 July and 30 June	<u>-</u>	<u>-</u>

Investments comprise a 100% holding of shares in a UK incorporated subsidiary undertaking, Axis Resources Limited, which is not trading.

Axis Resources Holdings Limited

Notes to the financial statements (continued) For the year ended 30 June 2016

8. Trade and other receivables

In £'000	2016	2015
Amounts owed by Group companies	<u>43</u>	<u>44</u>

Amounts owed by Group companies are repayable on demand. No interest is receivable by the Company on inter-company balances.

9. Trade and other payables – due within one year

In £'000	2016	2015
Amounts owed to Group companies	<u>16,850</u>	<u>16,678</u>

The amounts owed to Group companies are repayable on demand. The Company pays interest on approximately £13.7 million (2015: £13.5 million) of amounts owed to Group companies at the rate of three-month LIBOR plus 1%.

10. Trade and other payables – due after one year

The Company has issued preference share and preferential ordinary share that are classed as a non-current liability in the Company's balance sheet.

Details of these shares are as follows:

	2016 No.	2016 £'000	2015 No.	2015 £'000
Authorised:				
'A' £1 cumulative redeemable preference shares	5,714,286	5,714	5,714,286	5,714
'A' Ordinary £1 shares	<u>464,286</u>	<u>464</u>	<u>464,286</u>	<u>464</u>
	<u>6,178,572</u>	<u>6,178</u>	<u>6,178,572</u>	<u>6,178</u>
Allotted, called up and fully paid:				
'A' Ordinary £1 shares	<u>464,286</u>	<u>464</u>	<u>464,286</u>	<u>464</u>
'A' Ordinary £1 shares	<u>464,286</u>	<u>464</u>	<u>464,286</u>	<u>464</u>

Class of shares	Kind of dividend	Date of commencement of accrual	Amount of dividend per annum
A Ordinary	Fixed cumulative Preferential cash ("Fixed A Dividend")	(i) from date of issue to 31 October 1998	7.7 pence
		(ii) from 1 November 1998 to 31 October 1999	8.8 pence
	Participating cumulative Preferential cash ("Participating A Dividend")	(iii) from 1 November 1999 to 31 October 2000	9.9 pence
		(iv) from 1 November 2000	11.0 pence
	Non-cumulative pari passu		The balance of the profits up to 20% determined by the director to be distributed

Axis Resources Holdings Limited

Notes to the financial statements (continued) For the year ended 30 June 2016

10. Trade and other payables – due after one year (continued)

Winding up

The priority amounts receivable by A ordinary shareholders in the event of a winding up of the Company are the subscription price plus any accrued and unpaid dividends and interest accrued on unpaid dividends.

Redemption

Some of the shares are redeemable when the Company is sold. The number is set out in the Articles. The amounts payable are the subscription price plus accrued and unpaid dividends and any interest on unpaid dividends.

Unpaid dividends accruing on preference shares and preferential ordinary shares have not been provided for as the shareholders have waived the rights to dividends.

Voting rights

All shares have equal voting rights.

11. Share capital

In £'000

Authorised:

250,000 Ordinary Shares of £1 each

2016

2015

250

250

Called up, allotted and fully paid:

230,000 Ordinary Shares of £1 each

230

230

12. Retained earnings

In £'000

2016

2015

As at 1 July

(17,328)

(17,162)

Loss for the year

(173)

(166)

As at 30 June

(17,501)

(17,328)

13. Related party transactions

The Company has taken advantage of the exemption granted under paragraph 8(k) of FRS101 not to disclose transactions with fellow wholly owned subsidiaries. Transactions entered into and trading balances outstanding that were owed to the Company at 30 June 2016 with other related parties was £nil (2015: £nil).

14. Ultimate parent company

The Company's ultimate parent company and controlling entity is Hays plc, registered in England and Wales. The Company's immediate parent company is Hays Holdings Limited, registered in England and Wales. The smallest and largest group that prepares Group financial statements is Hays plc. Copies of the 2016 Annual Report and Financial Statements for Hays plc are available from the Company Secretary at Hays plc, 250 Euston Road, London NW1 2AF.