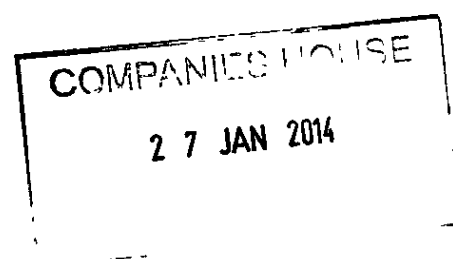


GTI Recruiting Solutions Limited

Report and Financial Statements

30 April 2013



Directors

M Halliday

M Tims

G Storey

Secretary

M Halliday

Auditors

Ernst & Young LLP

Bedford House

16 Bedford Street

Belfast BT2 7DT

Bankers

Barclays Bank PLC

1 Churchill Place

London E14 5HP

Solicitors

Travers Smith

10 Snow Hill

London EC1A 2AL

Registered Office

The Fountain Building

Howbery Park

Benson Lane

Wallingford OX10 8BA

Registered No 3977847

Directors' report

The directors present their report and financial statements for the year ended 30 April 2013

Results and dividends

The profit for the year after taxation amounted to £64,253 (2012 – profit of £35,166) The directors do not recommend a final dividend (2012 – £nil)

Principal activity and review of the business

The principal activity of the company in the year under review was the provision of computer database software and the provision of recruitment services

Directors

The directors who served the company during the year were as follows

A S Wood (resigned 29th May 2012)

M R Blythe (resigned 29th May 2012)

M Halliday

M Tims

G Storey

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 is obliged to take as a director in order to make himself 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

Small company exemptions

The company has taken advantage of the exemptions available to small companies under the Companies Act 2006 with respect to directors' report disclosures

On behalf of the Board



Director

G STOREY

30 SEPTEMBER 2013

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 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,
- 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 GTI Recruiting Solutions Limited

We have audited the financial statements of GTI Recruiting Solutions Limited for the year ended 30 April 2013 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 16. 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).

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 set out on page 3, 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 Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 April 2013 and of its profit 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 the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

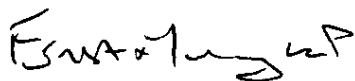
Independent auditor's report

to the members of GTI Recruiting Solutions Limited

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 prepare the directors' report in accordance with the small companies exemption



David Galbraith (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, (Statutory Auditor)
Belfast

30 SEPTEMBER 2013

Profit and loss account

for the year ended 30 April 2013

	Notes	2013 £	2012 £
Turnover	2	4,551,704	4,468,988
Cost of sales		(992,240)	(1,045,284)
Gross profit		3,559,464	3,423,704
Administrative expenses		(3,446,127)	(3,361,179)
Operating Profit before amortisation of intangibles		656,233	494,225
Amortisation of intangibles		(542,896)	(431,700)
Operating profit	3	113,337	62,525
Interest receivable and similar income		248	260
Profit on ordinary activities before taxation		113,585	62,785
Tax	6	(49,332)	(27,619)
Profit for the financial year	13	64,253	35,166

All amounts relate to continuing activities

Statement of total recognised gains and losses

for the year ended 30 April 2013

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £64,253 in the year ended 30 April 2013 (2012 – profit of £35,166)

Balance sheet

at 30 April 2013

	Notes	2013 £	2012 £
Fixed assets			
Intangible assets	7	2,459,906	2,841,326
Tangible assets	8	-	2,165
		<u>2,459,906</u>	<u>2,843,491</u>
Current assets			
Debtors	9	5,171,901	3,988,829
Cash at bank and in hand		<u>117,657</u>	<u>814,182</u>
		5,289,558	4,803,011
Creditors , amounts falling due within one year	10	<u>(947,412)</u>	<u>(908,703)</u>
Net current assets		4,342,146	3,894,308
Total assets less current liabilities		6,802,052	6,737,799
Creditors , amounts falling due after more than one year	11	<u>(4,215,466)</u>	<u>(4,215,466)</u>
Net liabilities		<u>2,586,586</u>	<u>2,522,333</u>
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account	13	<u>2,586,584</u>	<u>2,522,331</u>
Shareholders' funds	13	<u>2,586,586</u>	<u>2,522,333</u>

The financial statements have been approved and authorised for issue by the board and were signed on its behalf by



Director

G SEREY



Director

M HALLIDAY

30 SEPTEMBER 2013

Notes to the financial statements

at 30 April 2013

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

Statement of cash flows

The directors have taken advantage of the exemption in FRS 1 (revised) from including a statement of cash flows in the financial statements on the grounds that the company is wholly owned and its parent published a group statement of cash flows

Tangible fixed assets

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

Furniture's and fittings – 15% on reducing balance

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Research and development

Expenditure on research and development is written off in the year in which it is incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project

Deferred taxation

Deferred taxation 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 right to pay less or to receive more, tax, with the following exception

- 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 or substantively enacted at the balance sheet date

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged to the profit and loss account

Notes to the financial statements

at 30 April 2013

2. Turnover

Turnover, which arises from the continuing principal activities of the provision of computer database software and recruitment services comprises the invoice value of goods and services supplied by the company exclusive of value added tax

Disclosure of the turnover for each business and geographical segment is not given because in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the company

Revenue is recognised

- Upon the delivery of computer database software and recruitment services to customers
- Upon the renewal of licences and subscriptions, and
- On a straight-line basis in relation to income received for maintenance and hosting services over the period of the service

3. Operating profit

This is stated after charging

	2013 £	2012 £
Auditors' remuneration — audit of the company's financial statements*	10,200	10,200
Depreciation of owned fixed assets	298	382
Amortisation of intangibles	542,896	431,700

* Fees paid to the company's auditor, Ernst & Young LLP, for services other than the statutory audit of the company are not disclosed in GTI Recruiting Solutions Limited's financial statements since the consolidated financial statements of GTI Recruiting Solutions Limited's ultimate parent, Group GTI Limited, are required to disclose non-audit fees on a consolidated basis

4. Directors' remuneration

Directors' remuneration (excluding pension contributions) of £606,000 (2012 – £589,730) is paid to the company's directors by other Group GTI Limited undertakings. The directors do not believe that it is practical to apportion this remuneration between their services as directors of the company and their services as directors of other Group GTI Limited undertakings

5. Staff costs

	2013 £	2012 £
Wages and salaries	1,836,397	1,612,168
Social security costs	192,877	163,753
Other pension costs	63,290	60,062
	2,092,564	1,835,983

Notes to the financial statements

at 30 April 2013

5. Staff costs (continued)

The average monthly number of employees during the year was made up as follows

	2013 No	2012 No
Managers	4	5
Staff	29	27
	<u>33</u>	<u>32</u>

6. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2013 £	2012 £
Current tax		
Adjustments in respect of prior years	-	-
Tax on profit on ordinary activities	-	-
Group relief		
Group relief payable	49,332	18,114
Adjustments in respect of previous periods	-	9,505
Total group relief	<u>49,332</u>	<u>27,619</u>
Current tax for the year (note 6(b))	<u>49,332</u>	<u>27,619</u>
Deferred tax.		
Movement in provision	-	-
Total deferred tax (note 6(c))	-	-
Tax on profit on ordinary activities	<u>49,332</u>	<u>27,619</u>

Notes to the financial statements

at 30 April 2013

6. Tax (continued)

(b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 23.92% (2012 – 26%). The differences are explained below

	2013 £	2012 £
Profit on ordinary activities before tax	113,585	62,785
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.92% (2012 – 26%)	27,170	16,324
<i>Effects of</i>		
Expenses not deductible for tax purposes	1,512	1,691
Accelerated capital allowances	518	99
Short term timing differences	20,132	-
Adjustments in respect of previous periods	-	9,505
Current tax for the year (note 6(a))	49,332	27,619

(c) Deferred taxation

There is an unrecognised deferred tax asset of £53,163 at year end (2012 – £14,556)

(d) Factors that may affect future tax charges

A tax rate of 23% is effective from 6 April 2013, reflecting HMRC enactment, in March 2012, of a reduction in the corporation tax rate. Further to this, HM Treasury has announced its intention for the main rate of corporation tax to decrease to 21% by 2015, although this decrease in rates is not enacted at the balance sheet date.

7. Intangible fixed assets

	Purchased goodwill £	Development expenditure £	Total £
Cost			
At 1 May 2012	4,163,287	224,964	4,388,251
Additions	-	161,476	161,476
At 30 April 2013	4,163,287	386,440	4,549,727
Amortisation			
At 1 May 2012	1,546,925	-	1,546,925
Charge for the year	431,700	111,196	542,896
At 30 April 2013	1,978,625	111,196	2,089,821
Net book value			
At 30 April 2013	2,184,662	275,244	2,459,906
At 1 May 2012	2,616,362	224,964	2,841,326

Notes to the financial statements

at 30 April 2013

7. Intangible fixed assets (continued)

The intangible asset arising on acquisition of purchased goodwill has been capitalised and is being amortised over its estimated useful economic life from the date of acquisition. The directors have estimated that the useful economic life of the goodwill is 10 years.

8. Tangible fixed assets

	<i>Fixtures and fittings £000</i>	<i>Computer equipment £000</i>	<i>Total £000</i>
Cost			
At 1 May 2012	7,037	84,197	91,234
Additions	-	-	-
Disposals	(7,037)	-	(7,037)
At 30 April 2013	-	84,197	84,197
Depreciation			
At 1 May 2012	4,872	84,197	89,069
Charge for the year	298	-	298
Disposals	(5,170)	-	(5,170)
At 30 April 2013	-	84,197	84,197
Net book value			
At 30 April 2013	-	-	-
At 1 May 2012	2,165	-	2,165

9. Debtors

	<i>2013 £</i>	<i>2012 £</i>
Trade debtors	1,095,502	1,012,892
Prepayments and accrued income	8,217	6,407
Other debtors	4,871	1,205
Amounts owed by group undertakings	4,063,311	2,968,325
	<u>5,171,901</u>	<u>3,988,829</u>

Notes to the financial statements

at 30 April 2013

10. Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	49,643	36,394
Other creditors	273,017	227,051
Other taxes and social security costs	91,547	40,031
Group relief payable	426,007	376,675
Accruals and deferred income	107,198	228,552
	<u>947,412</u>	<u>908,703</u>

11. Creditors: amounts falling due after more than one year

	2013 £	2012 £
Amounts owing to group undertakings	<u>4,215,466</u>	<u>4,215,466</u>

12. Issued share capital

	2013		2012	
<i>Allotted, called up and fully paid</i>	<i>No</i>	<i>£</i>	<i>No</i>	<i>£</i>
Ordinary shares of £1 each	2	<u>2</u>	2	<u>2</u>

13. Reconciliation of shareholders' funds and movements on reserves

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total share-holders' funds</i>
	<i>£</i>	<i>£</i>	<i>£</i>
At 1 May 2012	2	2,522,331	2,522,333
Profit for the year	-	64,253	64,253
At 30 April 2013	<u>2</u>	<u>2,586,584</u>	<u>2,586,586</u>

14. Pensions

The company operates a defined contribution pension scheme. Contributions during the year amounted to £63,290 (2012 – £70,400). At the year end there were no pension contributions outstanding (2012 – £nil of pension contributions remained outstanding).

Notes to the financial statements

at 30 April 2013

15. Related party transactions

Transactions with related parties are as follows (note that companies within the Group may also pay amounts on behalf of other entities, for which a corresponding intercompany balance is recognised)

	<i>Sales</i>	<i>Purchases and management charges</i>	<i>Balance owed to related party at 30 April</i>	<i>Balance due from related party at 30 April</i>
	£	£	£	£
2013				
Parent companies	-	525,000	-	562,738
Other group undertakings	-	-	4,215,466	3,500,573
2012				
Parent companies	-	550,000	-	98,271
Other group undertakings	-	-	4,215,466	2,870,054

16. Ultimate parent undertaking and controlling party

The parent undertaking of the smallest and largest group of which the company is a member and for which group financial statements are prepared is Group GTI Limited, a company incorporated in the United Kingdom

A copy of the group financial statements of Group GTI Limited are available from

The Fountain Building
Howbery Park
Benson Lane
Wallingford OX10 8BA

The ultimate controlling party of the company is Exponent Private Equity Partners, LLP, a partnership registered in the United Kingdom