

**REGISTERED NUMBER: 7846499 (England and Wales)**

**Annual Report and  
Audited Financial Statements for the Year Ended 30 November 2018  
for  
SThree Overseas Management Limited**

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**SThree Overseas Management Limited**

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**SThree Overseas Management Limited**

**Company Information  
for the Year Ended 30 November 2018**

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**DIRECTORS:**

D Mackay	(Appointed 22 June 2018)
S Anderson	(Resigned 22 June 2018)
R Booty	(Resigned 05 April 2018)
R Clarke	(Resigned 05 April 2018)
N Clarke-Tidey	(Resigned 05 April 2018)
G Elden	(Resigned 05 April 2018)
S Fulton	(Resigned 05 April 2018)
G Harvey	(Resigned 05 April 2018)
S Hornbuckle	
E Hughes	(Resigned 05 April 2018)
M Kavanagh	(Resigned 05 April 2018)
M McManus	(Resigned 05 April 2018)
R Patel	(Resigned 05 April 2018)
D Rees	(Resigned 05 April 2018)
G Rose	(Resigned 05 April 2018)
T Way	(Resigned 05 April 2018)

**COMPANY SECRETARY:** Cavendish Directors Limited

**REGISTERED OFFICE:**

1st Floor  
75 King William Steet  
EC4N 7BE  
London  
United Kingdom

**REGISTERED NUMBER:** 7846499 (England and Wales)

**INDEPENDENT AUDITORS:**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
141 Bothwell Street  
Glasgow  
G2 7EQ  
United Kingdom

## **SThree Overseas Management Limited**

### **Report of the Directors for the Year Ended 30 November 2018**

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The Directors present their report with the audited financial statements of the Company for the year ended 30 November 2018.

A separate Strategic Report has not been prepared as the Company is entitled to the small companies exemption under section 414B of the Companies Act 2006.

#### **INCORPORATION**

SThree Overseas Management Limited is a private company limited and is registered, incorporated and domiciled in the United Kingdom in 2011. The functional and presentational currency is GBP.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the Company for the year under review was that of a holding company with investments in overseas subsidiary companies.

#### **REVIEW OF BUSINESS**

##### **Results**

The results for the Company show a profit before taxation of £26,036 (2017: £16,100) and turnover of £22,231 (2017: £13,200). The position of the Company at the end of the year is given in the Statement of Financial Position on page 7.

The Directors regard the performance for the year and the financial position at the year end, as stated in the Income Statement and the Statement of Financial Position on pages 6 and 7, as satisfactory.

##### **Key performance indicators ('KPIs')**

Operationally the company is linked to SThree plc Group. The Directors of SThree plc manage the Group's operations, including the Company, on a brand and regional basis. For this reason, the Company's Directors believe that analysis using KPIs for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The KPIs of SThree plc are discussed on pages 36 to 40 of its 2018 Annual Report.

##### **Going Concern**

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus 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 1 to the financial statements.

##### **Principal risks and uncertainties**

The Directors of SThree plc assess and manage all risks and uncertainties faced by its various subsidiaries and linked entities on a group-wide basis.

The SThree plc Group's principal risks and uncertainties are discussed in more detail on pages 60 to 68 of its 2018 Annual Report.

##### **Brexit**

Political uncertainty continues in the UK, whilst the current global economic outlook is becoming more uncertain.

The UK's departure from the EU without a free trade arrangement and managed transition period presents both a risk and an opportunity. Cross border flows of candidates will likely be impacted, whilst clients may also look to relocate to ensure a continuing EU base.

To mitigate any Brexit risks, a number of specific actions have been undertaken under a plan which is project managed by a working group and monitored at Group Board level. Ongoing viability, dividend and tax assessments have all been undertaken in the light of Brexit and there is no material business impact either positively or negatively.

Overall, the Company is well prepared for UK leaving the EU and has the administrative, legal and IT framework in place to ensure that it is able to carry on running the business.

The Directors will continue to monitor the impact of Brexit and assess how to mitigate risks in the UK.

##### **Future outlook**

The Company is expected to continue to operate as a holding company.

##### **DIVIDENDS**

A dividend of £22,230 (2017 £13,200) was declared and paid during the year.

## **DIRECTORS**

The Directors as shown on page 1 have held office for the year and up to the date of signing this report unless stated otherwise.

## **DIRECTORS' INDEMNITIES**

Section 234 of the Companies Act 2006 gives companies the power to extend indemnities to directors against liability to third parties (excluding criminal and regulatory penalties) and also to pay directors' legal costs in advance, provided that these are reimbursed to the Company should the individual director be convicted or, in an action brought by the Company, where judgment is given against the director.

The largest shareholder of the Company, SThree plc, has taken advantage of this section. SThree plc currently has a directors' and officers' insurance policy in place, which provides this cover. The costs incurred are borne by SThree plc. The policy has been in place for the whole financial year and up to the date of signing the financial statements.

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The Directors 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.

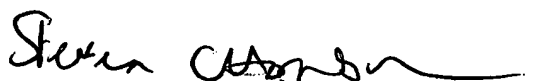
## **STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418(2) of the Companies Act 2006) of which the Company's auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## **INDEPENDENT AUDITORS**

The auditors, PricewaterhouseCoopers LLP, are to continue in office until further notice.

## **ON BEHALF OF THE BOARD:**



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S Hornbuckle  
Director

Date: 18 April 2019

***Independent auditors' report to the members of SThree Overseas Management Limited***

**Report on the audit of the financial statements**

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**Opinion**

In our opinion, SThree Overseas Management Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Audited Financial Statements for the Year Ended 30 November 2018 (the "Annual Report"), which comprise: the statement of financial position as at 30 November 2018; the income statement, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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**Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

**STHREE OVERSEAS MANAGEMENT LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STHREE OVERSEAS MANAGEMENT LIMITED**  
**For the Year Ended 30 November 2018**

***Report of the Directors***

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Directors for the year ended 30 November 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the Directors.

**Responsibilities for the financial statements and the audit**

***Responsibilities of the directors for the financial statements***

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

***Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

***Use of this report***

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

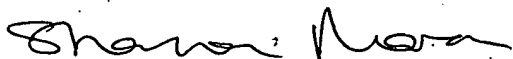
- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

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**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Sharron Moran (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Glasgow

18 April 2019

**SThree Overseas Management Limited****Income Statement  
for the Year Ended 30 November 2018**

	Note	2018 £	2017 £
<b>CONTINUING OPERATIONS</b>			
Turnover	2	22,231	13,200
Administrative expenses		(93)	(59)
Other income		<u>4,213</u>	<u>-</u>
<b>OPERATING PROFIT</b>	4	26,351	13,141
Finance income	5	-	3,201
Finance costs	5	<u>(315)</u>	<u>(242)</u>
<b>PROFIT BEFORE TAXATION</b>		26,036	16,100
Tax on profit	6	<u>(671)</u>	<u>(2,646)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>25,365</u>	<u>13,454</u>

There are no other comprehensive income or expenses other than as included in the profit for the year and therefore a separate statement of comprehensive income is not presented.

The accompanying notes form an integral part of these financial statements.



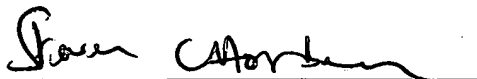
**SThree Overseas Management Limited**

**Statement of Financial Position  
as at 30 November 2018**

		2018 £	2017 £
	<b>Note</b>		
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
Investments	<b>8</b>	<u>1,647,483</u>	<u>1,647,483</u>
<b>CURRENT ASSETS</b>			
Current tax assets		-	258
Cash and cash equivalents	<b>9</b>	<u>85,792</u>	<u>85,885</u>
		<u>85,792</u>	<u>86,143</u>
<b>TOTAL ASSETS</b>		<u>1,733,275</u>	<u>1,733,626</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Creditors: Amount falling due within one year	<b>10</b>	16,067	19,347
Current tax liabilities		<u>643</u>	<u>849</u>
		<u>16,710</u>	<u>20,196</u>
<b>NET CURRENT ASSETS</b>		<u>69,082</u>	<u>65,947</u>
<b>NET ASSETS</b>		<u>1,716,565</u>	<u>1,713,430</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	<b>11</b>	4,113	4,113
Share premium account		1,647,380	1,647,380
Profit and loss account		<u>65,072</u>	<u>61,937</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<u>1,716,565</u>	<u>1,713,430</u>

The accompanying notes form an integral part of these financial statements.

The financial statements on pages 6 to 14 were approved by the Board of Directors and authorised for issue on 18 April 2019 and were signed on its behalf by:

  
S Hornbuckle  
Director

Registered number: 7846499

**SThree Overseas Management Limited**

**Statement of Changes in Equity  
for the Year Ended 30 November 2018**

	Note	Called up share capital £	Share premium account £	Profit and loss account £	Total shareholders' funds £
<b>Balance at 1 December 2016</b>		<b>4,113</b>	<b>1,668,910</b>	<b>61,683</b>	<b>1,734,706</b>
Profit for the financial year		-	-	13,454	13,454
Dividends paid	7	-	-	(13,200)	(13,200)
Cancellation of B class shares	8	-	(21,530)	-	(21,530)
Total movements in equity		-	(21,530)	254	(21,276)
<b>Balance at 30 November 2017</b>		<b>4,113</b>	<b>1,647,380</b>	<b>61,937</b>	<b>1,713,430</b>
Profit for the financial year		-	-	25,365	25,365
Dividends paid	7	-	-	(22,230)	(22,230)
Total movements in equity		-	-	3,135	3,135
<b>Balance at 30 November 2018</b>		<b>4,113</b>	<b>1,647,380</b>	<b>65,072</b>	<b>1,716,565</b>

The accompanying notes form an integral part of these financial statements.

## **1 ACCOUNTING POLICIES**

### **Basis of preparation**

These financial statements have been prepared in accordance with 'FRS 101 Reduced Disclosure Framework' which allows individual companies in a group to apply EU-adopted IFRS recognition and measurement principles, but with exemptions from various disclosures. These financial statements are also in compliance with those parts of the Companies Act 2006 applicable to companies reporting under FRS 101.

The disclosure exemptions adopted by the Company in accordance with FRS 101 are as follows:

- Cash flow statement,
- Related party transactions between the ultimate parent and wholly owned subsidiaries,
- Management of financial risk disclosures including management of credit, liquidity, and market risk and interest rate sensitivity analysis,
- Disclosures around categories of financial instruments, and
- Disclosures of new accounting standards and interpretations.

The Company's financial statements have been prepared under the historical cost convention.

The Company's accounting policies, as set out below, have been consistently applied to all the periods presented, unless otherwise stated.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Management consider that the areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates affect the financial statements, do not substantially impact the results.

### **Exemption from preparing consolidated financial statements**

The financial statements contain information about SThree Overseas Management Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of SThree plc, a Company registered in the United Kingdom. These financial statements are obtainable from 1st Floor, 75 King William Street, London, EC4N 7BE, United Kingdom.

### **Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the report of the directors. The Company meets its day to day working capital requirements through the dividend income and intercompany funding arrangements that are expected to remain in place for the foreseeable future.

Based on the review of the Company's future plans, it is expected that the Company should be able to operate within its available resources without need for any external funding. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

### **Dividends**

Dividends are recognised in the financial statements at the time they are paid. The final dividends declared to the Company's shareholders are recognised as a liability in the Company's and Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

The Company recognises dividends from subsidiaries at the time that they are received.

### **Investments**

Investments in subsidiaries are stated at cost less any impairment. The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment is charged to the Income Statement as it arises.

**1 ACCOUNTING POLICIES - continued**

**Taxation**

Corporation tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profits for the period. Taxable profit differs from profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other periods 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 substantially enacted by the end of the reporting period.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**Foreign currencies**

*Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (its 'functional currency'). The financial statements of the Company are presented in Sterling which is the Company's functional and presentation currency.

*Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

**Debtors**

Debtors are measured at cost, less any provision necessary when there is objective evidence that SThree Overseas Management Limited will not be able to collect all amounts due.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**Creditors**

Trade and other creditors are stated at cost.

**Share capital**

Ordinary shares are classified as equity.

**Share premium**

The consideration received above the nominal value of the ordinary shares or class B shares are classified as share premium.

**Tracker share arrangements**

The Company also issues B class shares ('tracker share') to selected senior individuals in the business they manage. The tracker shareholders share in both risks and rewards of the business. Their equity stake track to the performance of the underlying business and the individual shareholders receive dividends (if declared) by the tracked business. The tracker shares carry no voting but maximum 15% distribution rights of the dividend declared. Further details about the tracker share arrangement are discussed on page 148 to 149 of SThree plc's 2018 Annual Report.

**1 ACCOUNTING POLICIES - continued**

**Critical accounting judgements and key sources of estimations uncertainty**

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of judgements, estimates, and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Directors' best knowledge of the amounts, actual results may ultimately differ from those estimates and assumptions used.

**Estimation uncertainty**

The assumptions and estimates at the end of the current reporting period that have a significant risk of resulting in material adjustment to the carrying amounts of assets and liabilities within the next financial year are mainly in relation to the carrying amount determined for the investments in subsidiaries

The Company assesses its investments in subsidiaries for impairment indicators whenever events or changes in circumstances indicate that the recoverable amount if the investment could be less than the carrying value of the investment. If this is the case, the investment is considered to be impaired and is written down to its recoverable amount. Judgement is required in the determination of the recoverable amount as the Company evaluates various factors related to the operational and financial position of the relevant investee business, appropriate discounting and long term growth rates.

**2 TURNOVER**

Dividends received from subsidiaries of £22,231 (2017: £13,200) are included in turnover. The Company had no other turnover during the year.

**3 EMPLOYEES AND DIRECTORS**

The Company had no employees at any time during the year (2017: none).

The Directors of the Company were remunerated by other group companies. During the year, they received no notional fee (2017: £nil) from the Company in respect of their services to the Company. No contributions were paid to the Directors' personal pension plans during the year (2017: £nil).

**4 OPERATING PROFIT**

**Other Income**

In 2018 purchase of minority interest shares that are recharged by Sthree Overseas Management Limited, generated income in the amount of £4,213.

**Services provided by the Company's auditors**

The auditors' remuneration for the Company for the year was settled without a recharge by SThree Management Services Limited, a UK subsidiary of SThree plc.

**5 NET FINANCE (COSTS)/INCOME**

	2018 £	2017 £
Finance income:		
Intercompany interest receivable	-	3,201
Finance costs:		
Intercompany interest payable	(315)	(242)
Net finance (costs)/income	(315)	2,959

**6 TAX ON PROFIT**

	2018 £	2017 £
<b>Analysis of the tax charge</b>		
Current year charge	464	-
Adjustment in respect of previous year	(52)	2,095
	<u>412</u>	<u>2,095</u>
Current year deferred tax charge	259	551
Total tax charge in income statement	<u>671</u>	<u>2,646</u>

**Factors affecting tax charge**

The effective rate of corporation tax for the year is lower (2017: lower) than the standard rate of corporation tax in the UK of 19.00% (2017: 19.33%). The differences are explained below:

	2018 £	2017 £
Profit before taxation	<u>26,036</u>	<u>16,100</u>
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19.00% (2017: 19.33%).	4,947	3,112
Effects of:		
Permanent items	(4,224)	-
Adjustment in respect of previous year	(52)	2,095
Adjustment due to tax rate changes	-	(10)
Dividends received from subsidiaries	-	(2,551)
Total taxation	<u>671</u>	<u>2,646</u>

**7 DIVIDENDS**

	2018 £	2017 £
Dividends paid	<u>22,230</u>	<u>13,200</u>

The dividends were paid to tracker shareholders.

**8 INVESTMENTS**

	£
<b>Cost</b>	
At 1 December 2017 and 30 November 2018	<u>1,647,483</u>
<b>Provision for Impairment</b>	
At 1 December 2017 and 30 November 2018	<u>-</u>
<b>Net Carrying Value</b>	
At 1 December 2017 and 30 November 2018	<u>1,647,483</u>

In prior year, £21,530 worth of B class shares in SThree Overseas Holdings Limited were cancelled, as a result of which the Company's investment in SThree Overseas Holdings Limited was reduced by an equivalent amount. No class B shares were issued or cancelled in the current year.

Notes to the Financial Statements  
for the Year Ended 30 November 2018

9 CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	85,792	85,885

11 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number: 2018	Class: 2017	Nominal value:	2018 £	2017 £
3,990	3,990	Ordinary	£1	3,990
20	20	Fixed Rate 5%	£1	20
		B class shares:		
8	8	ER1 Huxley Brussels	1p	-
41	41	ER10 Huxley US/New York/BT Perm	1p	1
25	25	ER11 Huxley US/New York (Excl Banking/Technology)	1p	-
6	6	ER12 Huxley Amsterdam (Excl IT/B&F)	1p	-
25	25	ER13 Progressive Singapore Combined	1p	-
24	24	ER15 Huxley Singapore (inc OT)	1p	-
10	10	ER16 Progressive Dusseldorf	1p	-
23	23	ER18 Real Frankfurt	1p	-
8	8	ER19 CF Hamburg	1p	-
20	20	ER2 Huxley Frankfurt Perm & Contract	1p	-
12	12	ER20 CF Dusseldorf	1p	-
8	8	ER23 JP Gray Frankfurt	1p	-
39	39	ER24 Huxley Finance Resourcing US Perm	1p	1
3,200	3,200	ER25 Progressive Munich Perm	1p	32
4,780	4,780	ER26 Progressive Paris Perm	1p	48
192	192	ER27 Progressive Amsterdam Contract	1p	2
405	405	ER28 Huxley Amsterdam Bank & Fin Perm	1p	4
735	735	ER29 Huxley Amsterdam IT/Bank & Fin Contract	1p	7
29	29	ER3 Huxley Hong Kong	1p	1
375	375	ER30 Huxley Amsterdam IT Perm	1p	4
45	45	ER33 Huxley Chicago	1p	1
25	25	ER36 SThree Zurich	1p	-

**11 CALLED UP SHARE CAPITAL - continued**

**Allotted, issued and fully paid - continued:**

Number: 2018	Class: 2017	Nominal value:	2018 £	2017 £
16	16 ER37 Huxley Luxembourg	1p	-	-
45	45 ER39 Progressive Houston	1p	1	1
17	17 ER4 S3 Dubai Energy/Eng/ICT	1p	-	-
29	29 ER41 Real New York	1p	1	1
45	45 ER42 Real San Francisco	1p	1	1
8	8 ER44 SThree Antwerp	1p	-	-
15	15 ER46 CF Stuttgart	1p	-	-
5	5 ER49 Progressive Hamburg	1p	-	-
24	24 ER5 Progressive Brussels	1p	-	-
9	9 ER50 Progressive Stuttgart	1p	-	-
7	7 ER51 Real Paris	1p	-	-
13	13 ER53 Huxley Sao Paulo	1p	-	-
7	7 ER54 Sthree Rio	1p	-	-
15	15 ER55 SThree Boston	0.01p	-	-
10	10 ER59 Progressive North America	0.01p	-	-
15	15 ER6 S3 Dubai Prof Services	1p	-	-
26	26 ER7 S3 Sydney	1p	1	1
4	4 ER8 Huxley Paris Perm	1p	-	-
11	11 ER9 Huxley Paris Contract	1p	-	-
6	6 ER61 SThree Tokyo	0.01p	-	-
6	6 ER62 SThree Vienna	0.01p	-	-
4	4 ER63 SThree Nuremberg	0.01p	-	-
2	2 ER64 SThree Berlin	0.01p	-	-
6	6 ER65 SThree Cologne	0.01p	-	-
6	6 ER68 Newington International USA	0.01p	-	-
4	4 ER79 Real Exec	0.01p	-	-
4	4 ER80 Dusseldorf Life Sciences	0.01p	-	-
25	25 ER83 Pac West Pharma	0.01p	-	-
25	25 ER84 Real Healthcare Tech	0.01p	-	-
25	25 ER85 CF San Francisco	0.01p	-	-
10	10 ER86 CF New York P&C	0.01p	-	-
			<b>4,113</b>	<b>4,113</b>

Holders of B class tracker shares do not hold equity in the specific tracked business represented by the tracking stock. Their shares carry no voting but 15% distribution rights of the dividend issued for the specific business. The Company will pay the dividend as determined by the performance of the tracked business to the whole Company.

Ordinary shares carry voting rights and are entitled to 85% distribution rights of the dividend issued for a specific business. All Ordinary shares are held by SThree plc.

**12 IMMEDIATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY**

SThree plc controls the Company and is the largest shareholder of the Company and the smallest and the largest group which produces the group financial statements in which the results of the Company are consolidated. The group financial statements of SThree plc can be obtained from its Company Secretary at 1st floor, 75 King William Street, London, EC4N 7BE, United Kingdom.