

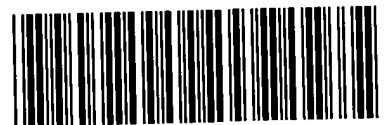
Company Registration No. 02003768

Robert Walters Holdings Limited

Annual Report and Financial Statements

For the year ended 31 December 2017

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Robert Walters Holdings Limited

Annual report and financial statements for the year ended 31 December 2017

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Robert Walters Holdings Limited

Annual report and financial statements for the year ended 31 December 2017

Officers and professional advisers

Directors

G Daubeney
A Bannatyne
R Harris

Company secretary

A Bannatyne

Registered Office

11 Slingsby Place
St Martin's Courtyard
London
WC2E 9AB

Bankers

Barclays Bank plc
PO Box 15162
50 Pall Mall
London
SW1A 1QB

Solicitors

Dechert
2 Serjeant's Inn
London
EC4Y 1LT

Auditor

Deloitte LLP
Statutory Auditor
London, United Kingdom

Robert Walters Holdings Limited

Strategic report

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Principal activities

The company is a wholly-owned subsidiary of Robert Walters plc.

The company's principal activity during the year was as a holding company. In addition, the company has branches in Luxemburg which is no longer trading and South Africa which provide permanent and contract staff placement services.

Business review

The audited financial statements for the year ended 31 December 2017 are set out on pages 13 to 33. The directors consider the year-end financial position was satisfactory given the trading environment.

Profit after taxation for the year ended 31 December 2017 was £13,110,000 (2016: £7,871,000) on a turnover of £13,449,000 (2016: £8,759,000).

The company received £12,796,000 (2016: £6,859,000) in income from shares in group undertakings.

The directors do not recommend payment of a final dividend (2016: £30,000,000).

A detailed business review of the Robert Walters plc group, which includes the performance of this company is included in the annual report of Robert Walters Plc. The annual report does not form part of these statements.

The directors are not aware, at the date of this report, of any likely changes in the company's activities in the next year.

Key performance indicators

KPI and Definition

Analysis

Gross Profit (Net Fee Income) – is the total placement fees of permanent candidates and the margin from advertising.

- Net fee income increased by 43% (2016: 52% growth), as a result of investment in increased head count in South Africa.

Operating Profit - Operating profit represents net fee income less administrative expenses.

- Operating profit increased by 237% (2016: 53% decrease) in line with the increase in Net Fee Income.

Principal risks and uncertainties

Risk management process

The Board recognises the importance of identifying and actively monitoring the full range of financial and non-financial risks facing the business. By regularly reviewing the risk profile of the business, the Board ensures that the risk exposure remains appropriate at any point in the cycle. The effectiveness of the risk management process is monitored by the Audit and Risk Committee. The process involves identifying and prioritising the key risks, and developing and implementing appropriate mitigation strategies to address those risks.

Robert Walters Holdings Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

Risk management process (continued)

We review our risks in terms of likelihood of occurrence and potential impact on the business and the Audit and Risk Committee reviews and considers the extent to which management has addressed the key risks through appropriate controls and actions to mitigate those risks. The management team continues to consider key risk areas on an ongoing basis with a specific periodic review at least once a year of their system of internal controls to ensure that each risk area is addressed within the business. The Internal Audit function reviews and tests the effectiveness of these controls to ensure that risk is being managed properly and effectively.

A summary of the key risks that we believe could potentially impact the Company's operating and financial performance, together with associated key actions, is shown below.

Risk

Economic environment - Job availability and the level of candidate confidence in the employment market are important factors in determining the total number of recruitment transactions in a given year. Candidates are less inclined to move jobs when the number of jobs available is stagnant or in decline, which could lead to a deterioration in the Company's financial performance.

Business Model - Competition risk varies in each of the Company's main regions depending on the maturity of client and candidate market. The emergence of new technology platforms such as social media for recruitment purposes may also lead to increased competition.

People management - The Company relies heavily on recruiting and retaining talented individuals with the right skill-sets to grow the business.

Actions to mitigate risk

- The Company's strategy when facing a slowdown in a market is to balance the cost base, such that the impact on profit is mitigated, against the perceived future benefit from the retention of key staff. Historically, the Company has benefitted substantially from increased operational gearing as a result of its policy of deliberately retaining key staff through economic downturns.
- The development of strong commercial relationships with clients has enabled the Company to win and then maintain its contracts with large global organisations and the Company also has a significant and diverse income stream across the SME marketplace.
- The Company reviews and monitors changes in technology and social media trends to ensure that it evolves appropriately. The Company continues to promote itself as a relationship recruiter operating in specialised markets, ensuring its online presence is competitive and provides a high-quality customer experience.
- The Company's policy of linking bonuses to profitability in discrete operating units has a high correlation to the retention of efficient and effective members of staff.
- Other elements of the strategy to improve staff retention and maximise career opportunities include significant investment of time and financial resources in employee training and development including regular weekly appraisals, aimed at core consultant competencies and focused on enhancing management potential. The Company's culture and the associated processes help to increase productivity and also improve the employee's alignment to the business. A comprehensive approach to succession planning is also in place across the company.
- The Company offers international career opportunities and actively encourages the redeployment of existing talent to international offices and also to establish new offices.

Robert Walters Holdings Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

Brand and reputation — There is an inherent risk that the brand and reputation of the Company could be impacted by a failure to maintain high-quality service levels to both candidates and clients.

Laws and regulations – The Company has to comply with numerous domestic and international laws and regulations, any change to which could have a detrimental effect on the Company's financial performance.

Technology — The Company is reliant on its technological infrastructure to maintain client and candidate data. A critical infrastructure or system disruption could have a material impact on the Company's financial results, whilst a loss of confidential and competitive information can have an adverse impact on operations and the reputation of the Company.

- Quality control standards are maintained and reviewed for each stage of the recruitment cycle with all new employees receiving appropriate levels of training applicable to their role.
- Candidate and client satisfaction surveys are carried out on a regular basis, with Directors addressing any negative feedback directly with the client or candidate. A 'Contact us' email address is available on the Group's website so any negative feedback or improper conduct can be acted upon swiftly by the Group Marketing Director and local senior management.
- To ensure compliance, our legal department works with leading external advisors as required to monitor potential changes in employment legislation across the markets in which we operate.
- Contractual terms and conditions are thoroughly reviewed before signing to ensure contract provisions are fully understood and risks are fairly allocated between parties.
- An escalation process exists such that contracts with non-standard terms are reviewed and approved by the General Counsel and Chief Financial Officer as appropriate.
- The Company maintains a comprehensive IT security policy, which is reviewed on a regular basis, covering all areas of IT security from user access through to server access.
- All sensitive candidate and client information is held securely with restricted access.
- Appropriate guidance and training on the security and handling of both manual and electronic documents including confidential and sensitive data is provided to all staff.
- The Group has a dedicated Chief Technology Officer and Group Information Security Officer with specific remits to consider and ensure that appropriate and reasonable controls are put in place, particularly in respect of Cyber related threats and data breach.
- The Company continues to review and improve its Business Continuity Plan to mitigate against any critical infrastructure disruptions.

Robert Walters Holdings Limited

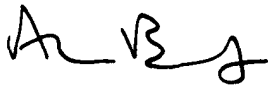
Strategic report (continued)

Future developments and events

The directors expect the general level of activity to improve in the forthcoming year, as the South Africa management team becomes more established.

There have been no significant events since the balance sheet.

Approved by the Board of Directors and signed on behalf of the Board on 27 June 2018.

A handwritten signature in black ink, appearing to read 'A Bannatyne'.

A Bannatyne
Director

Robert Walters Holdings Limited

Directors' report

The directors present their annual report on the affairs of the Company, together with the financial statements and auditor's report, for the year ended 31 December 2017.

Directors

The directors who served throughout the year and at the date of this report are shown below:

G Daubeney
A Bannatyne
R Harris

Future developments and events after the balance sheet date

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic report on page 5.

Existence of branches outside the UK

The company has branches, as defined in section 1046(3) of the Companies Act 2006, outside the UK as follows:

Luxembourg – trading as Robert Walters (Luxembourg) Operations Limited.

South Africa – trading as Robert Walters South Africa Proprietary Ltd.

Going concern

The directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

Financial risk management

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the directors consider the financial risks most relevant to this company are credit risk and liquidity risk.

Credit risk

The company's principal financial assets are bank balances and cash, trade and other receivables and investments. The company's credit risk is primarily in respect of trade receivables.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss. The company has adopted a policy of only dealing with creditworthy counterparties. The company only transacts with entities that have adequate credit ratings. This information is supplied by independent rating agencies where available and if not available uses other publicly available financial information. Credit ratings of counterparties are continuously reviewed.

Liquidity risk

The company's overall objective is to ensure that at all times it is able to meet its financial commitments as and when they fall due. Surplus funds are invested on short-term deposit. Short-term flexibility is achieved by utilising the sales financing facility outlined below.

Robert Walters Holdings Limited

Directors' report (continued)

Financial risk management (continued)

Financial liabilities

The company finances its operations through a mixture of retained earnings and a financing facility. A four year committed pound sterling sales financing facility has been entered into ending in December 2020. The average effective interest rate for 2017 on the sales financing facility approximates to 2.75% and is determined upon the lenders' published rate plus 2.25%.

Trade and other payables are settled within normal terms of business and are payable in less than 60 days.

Dividends

During 2017, dividends totalling £nil were paid by the Company (2016: £30,000,000).

Political contributions

During 2017 and 2016 no political contributions were made by the Company.

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of the other employees.

Equal opportunity

The company endorses and supports the principles of equal employment opportunities. It is the policy of the company to provide equal employment opportunities to all qualified individuals, and to ensure that all employment decisions are made, subject to legal obligations, on a non-discriminatory basis.

Environment

Where possible, the company takes steps to minimise any adverse environmental impact, by performing tasks such as the recycling of waste material.

Employee involvement

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings as well as a monthly internal newsletter for all employees.

Robert Walters Holdings Limited

Directors' report (continued)

Auditor

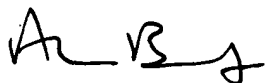
Each of the persons who is a director at the date of approval of this report confirms that:

- 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 he/she ought to have taken as a director in order to make himself/herself 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 s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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



A Bannatyne
Director

27 June 2018

Robert Walters 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 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland". 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 judgements 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.

Robert Walters Holdings Limited

Independent auditor's report to the members of Robert Walters Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Robert Walters Holdings Limited (the 'company') which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 24.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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 these matters.

Robert Walters Holdings Limited

Independent auditor's report to the members of Robert Walters Holdings Limited (continued)

Report on the audit of the financial statements (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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

Robert Walters Holdings Limited

Independent auditor's report to the members of Resource Walters Holdings Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

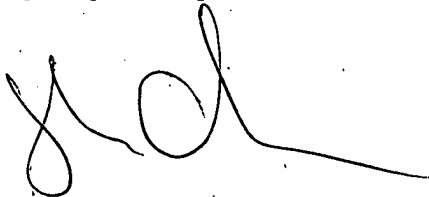
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.



John Charlton FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

29 June 2018

Robert Walters Holdings Limited

Profit and loss account

For year ended 31 December 2017

	Notes	2017 £'000	2016 £'000
Turnover	1, 3	13,449	8,759
Cost of sales		(9,983)	(6,341)
Gross profit		<u>3,466</u>	<u>2,418</u>
Administrative expenses		(3,247)	(2,578)
Operating profit/(loss)		<u>219</u>	<u>(160)</u>
Income from shares in group undertakings	4	12,796	6,859
Finance income	5	206	1,463
Finance charges	6	(31)	(11)
Profit on ordinary activities before taxation	7	<u>13,190</u>	<u>8,151</u>
Tax on profit on ordinary activities	11	(80)	(280)
Profit for the financial year attributable to the equity shareholder of the Company		<u><u>13,110</u></u>	<u><u>7,871</u></u>

The results for the current year were derived entirely from continuing activities.

Robert Walters Holdings Limited

Statement of comprehensive income For year ended 31 December 2017

	2017 £'000	2016 £'000
Profit for the financial year	13,110	7,871
Loss on foreign currency translation of net investments	(26)	(314)
Other comprehensive loss	(26)	(314)
Total comprehensive income attributable to equity shareholder of the Company	<u>13,084</u>	<u>7,557</u>


Robert Walters Holdings Limited

Balance sheet As at 31 December 2017

	Notes	2017 £'000	2016 £'000
Fixed assets			
Intangible assets	13	11	11
Tangible assets	14	26	26
Investments	15	33,143	32,704
		<u>33,180</u>	<u>32,741</u>
Current assets			
Debtors	16	25,117	12,660
Cash at bank and in hand		3,680	1,288
		<u>28,797</u>	<u>13,948</u>
Creditors: amounts falling due within one year	17	<u>(7,090)</u>	<u>(4,886)</u>
Net current assets		<u>21,707</u>	<u>9,062</u>
Total assets less current liabilities		<u>54,887</u>	<u>41,803</u>
Net assets		<u>54,887</u>	<u>41,803</u>
Capital and reserves			
Called up share capital	18	1,334	1,334
Share premium account	18	16,705	16,705
Capital redemption reserve	18	393	393
Foreign currency translation reserve	18	(585)	(559)
Profit and loss account		37,040	23,930
Shareholder funds		<u>54,887</u>	<u>41,803</u>

The financial statements of Robert Walters Holdings Limited, registered number 02003768 were approved by the Board of Directors on 27 June 2018.

Signed on behalf of the Board of Directors



A Bannatyne
Director

Robert Walters Holdings Limited

Statement of changes in equity As at 31 December 2017

	Notes	Share Capital £'000	Share premium account £'000	Capital redemption reserve £'000	Foreign exchange reserve £'000	Profit and loss account £'000	Total £'000
At 1 January 2016		1,334	16,705	393	(245)	46,059	64,246
Profit for the financial year		-	-	-	-	7,871	7,871
Exchange differences		-	-	-	(314)	-	(314)
Total comprehensive income		-	-	-	(314)	7,871	7,557
Dividends Paid on Equity Shares	12	-	-	-	-	(30,000)	(30,000)
At 31 December 2016		1,334	16,705	393	(559)	23,930	41,803
Profit for the financial year		-	-	-	-	13,110	13,110
Exchange differences		-	-	-	(26)	-	(26)
Total comprehensive income		-	-	-	(26)	13,110	13,084
At 31 December 2017		<u>1,334</u>	<u>16,705</u>	<u>393</u>	<u>(585)</u>	<u>37,040</u>	<u>54,887</u>

Robert Walters Holdings Limited

Notes to the accounts

For the Year ended 31 December 2017

1. Accounting policies

The principal accounting policies of the company are summarised below and have been consistently applied in the current and preceding year.

Basis of accounting

Robert Walters Holdings Limited is a company incorporated in the United Kingdom under the Companies Act. The company is a private company limited by shares, registered in England and Wales. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on pages 2 to 5. The company does not prepare consolidated accounts, complying with s400 of the Companies Act, Robert Walters Holdings Limited is part of a group, which does prepare consolidated accounts.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Robert Walters Holdings Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Robert Walters Holdings Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Robert Walters Holdings Limited is consolidated in the financial statements of its parent, Robert Walters PLC, which may be obtained at 11 Slingsby Place, St Martin's Courtyard, London, WC2E 9AB. Exemptions have been taken in these separate Company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement, related parties and remuneration of key management personnel.

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 strategic report. The directors' report further describes the financial position of the Company; its cash flows, liquidity position and borrowing facilities; the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

The Company meets its day to day working capital requirements through retained earnings and a banking facility which is due for renewal in December 2020.

In order to support the going concern assumption, the Group prepared detailed forecasts showing the current Company financing position and future cash flows for the three-year period ending 31 December 2020; the Group's financing arrangements include a committed four-year borrowing facility of £45.0m, which was renewed and extended in January 2017, and are supported by Group net current assets of £92.2m.

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 the annual financial statements.

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

1. Accounting policies (continued)

Turnover

Turnover comprises the value of services, net of VAT and other sales related taxes, provided by the company in the normal course of business.

Turnover from the placement of permanent staff is recognised when a candidate accepts a position and a start date is determined. A provision is made for the cancellation of placements prior to or shortly after the commencement of employment based on past experience of this occurring.

Turnover from temporary placements represents the amounts billed for the services of temporary staff including the salary costs of those staff. This is recognised when the service has been provided.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Gross profit

Gross profit is the total placement fees of permanent candidates and the margin earned on the placement of contract candidates.

Pensions

The company currently contributes to the money purchase pension plans for certain individual directors and employees. Contributions payable in respect of the year are charged to the profit and loss account. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Robert Walters Holdings Limited

Notes to the accounts

For the Year ended 31 December 2017

1. Accounting policies (continued)

Taxation (continued)

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment is measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date.

Intangible fixed assets

Intangible assets acquired separately from a business are capitalised at cost.

Intangible assets are amortised on a straight-line basis over their estimated useful lives up to a maximum of 10 years. Where the intangible assets are regarded as having indefinite lives they are not amortised but reviewed on an annual basis for impairment.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Fixtures, furniture and office equipment	10% or the estimated useful life if shorter
Computer equipment	33.3% or the estimated useful life if shorter

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

1. Accounting policies (continued)

Investments

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Receivables

Trade and other receivables are recorded at cost, less any provision for impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Other financial liabilities

Other financial liabilities, including borrowings, are measured at fair value, net of transaction costs

Employee share schemes

The cost of awards made under the company's employee share schemes is based on the fair value of the shares at the time of grant and is charged to the profit and loss account on a straight-line basis over the vesting period, based on the company's estimate of shares that will eventually vest.

Fair value is measured by use of a stochastic model. The expected life has been adjusted, based on management's best estimate, for the effects on non-transferability, exercise restrictions and behavioural considerations. A liability equal to the portion of the services received is recognised at the asset's fair value determined at each balance sheet date for cash settled share based payments.

Leases

The Company as lessee

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Related party disclosure

The company is a subsidiary undertaking of Robert Walters plc, who prepares consolidation financial statements there are publicly available. On this basis, the company has taken advantage of the exemption in Financial Reporting Standard 102 from disclosing transactions with other wholly-owned subsidiaries.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, 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.

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Due to inherent uncertainty involved in making estimates and assumptions, actual outcomes could differ from those assumptions and estimates.

- Revenue recognition: revenue from the placement of permanent staff is recognised when a candidate accepts a position and a start date is determined. A provision is made by management, based on historical evidence, for the proportion of those placements where the candidate is expected to reverse their acceptance prior to the start date.
- Bad debt provisioning: at each balance sheet date the company evaluates the collectability of trade receivables and records a provision based on anticipated recoverable cash flows, nature of counterparty, past due date, geographical location, the costs of recovery and the fair value of any guarantee received.

Critical accounting judgements

Management has identified the timing of revenue recognition as a critical judgement in arriving at the amounts recognised in the Group's financial statements.

- Revenue recognition: revenue in respect of permanent placements is deemed to be earned when a candidate accepts a position and a start date is agreed, but prior to employment commencing. In making this judgement, management considered the detailed criteria for the recognition of revenue from permanent placements.

3. Segment information

	2017 £'000	2016 £'000
Turnover by geographical segments		
Europe	-	-
Rest of world	13,449	8,759
	<u>13,449</u>	<u>8,759</u>

The company's turnover throughout 2017 and 2016 was from the placement of permanent and contract staff, and accordingly the directors believe that there are no separately identifiable business segments.

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

4. Income from shares in group undertakings

	2017 £'000	2016 £'000
Dividends received	12,796	6,859

5. Finance income

	2017 £'000	2016 £'000
Interest payable and similar income		
Foreign exchange gain	-	1,342
Interest receivable on group loans	206	121
	<u>206</u>	<u>1,463</u>

The foreign exchange gain arises primarily on the translation of the intercompany accounts.

6. Finance charges

	2017 £'000	2016 £'000
Interest payable and similar income		
Bank interest payable	(12)	(11)
Foreign exchange loss	(19)	-
	<u>(31)</u>	<u>(11)</u>

The foreign exchange loss arises primarily on the translation of the intercompany accounts.

7. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2017 £'000	2016 £'000
Auditor's remuneration - for the audit of the company's annual accounts	10	9
Depreciation of tangible fixed assets owned	7	23
Operating lease rentals - land and building	71	63

Audit fees are presented to reflect the proportionate allocation of total group audit fees among the subsidiary entities.

Robert Walters Holdings Limited

Notes to the accounts

For the Year ended 31 December 2017

8. Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the company's annual accounts were £10,000 (2016: £9,000).

Fees payable to Deloitte LLP and their associates for non-audit services to the company are not required to be disclosed because the consolidated financial statements of the parent company are required to disclose such fees on a consolidated basis.

9. Staff costs

The average monthly number of employees of the company (including directors):

	2017	2016
Fee earning staff	30	31
Administration staff	10	12
Total	40	43

	£'000	£'000
Staff costs during the year (including directors)		
Wages and salaries	1,735	1,159
Social security costs	82	5
Pension costs	12	8
	1,829	1,172

10. Directors' remuneration

	2017 £'000	2016 £'000
Aggregate remuneration		
The total amounts of directors' remuneration and other benefits were as follows:		
Emoluments	4,896	2,723
Company contributions to money purchase pension schemes	-	-
	4,896	2,723
The number of directors who:	Number	Number
Are members of a defined benefit pension scheme	-	-
Exercised options over shares in the parent company	2	-
Had awards receivable in the form of shares in the parent company under a long-term incentive scheme	2	2

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

10. Directors' remuneration (continued)

Highest paid director

The highest paid director's remuneration was:

	2017 £'000	2016 £'000
Emoluments	2,867	1,591
Total	2,867	1,591

11. Tax on profit on ordinary activities

	2017 £'000	2016 £'000
Current tax		
UK corporation tax at 19.25% (2016: 20%)	80	280
Overseas tax	-	-
Total tax charge on ordinary activities	80	280
Reconciliation of the UK statutory tax rate to the effective total tax rate		
Profit on ordinary activities before tax	13,190	8,151
Tax charge at 19.25% thereon (2016: 20%)	2,539	1,630
Effects of:		
Expenses not deductible for tax purposes	3	6
Depreciation for period in excess of capital allowances	1	4
Overseas tax	-	-
Income not subject to UK taxation	(2,463)	(1,360)
Unrelieved losses carried forward	-	-
	80	280

The standard rate of tax applied to reported profit on ordinary activities is 19.25 % (2016: 20 %). The UK government reduced the rate of corporation tax by 1% from 20% to 19% effective from 1 April 2017.

There is no expiry date on timing differences, unused tax losses or tax credits.

12. Dividends on equity shares

Dividends totalling £nil were paid in 2017, £30,000,000 in 2016.

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

13. Intangible fixed assets

	Total £'000
Cost	
At 1 January 2017 and 31 December 2017	11
Depreciation	
At 1 January 2017 and 31 December 2017	-
Net book value	
At 31 December 2017	11
At 31 December 2016	11

The intangible fixed asset relates to a purchased domain name.

14. Tangible fixed assets

	Fixtures, furniture and office equipment £'000	Computer equipment £'000	Total £'000
Cost			
At 1 January 2017	147	84	231
Additions	3	4	7
Disposals	-	-	-
Foreign exchange difference	2	1	3
At 31 December 2017	152	89	241
Accumulated depreciation			
At 1 January 2017	123	82	205
Charge for the year	6	1	7
Disposals	-	-	-
Foreign exchange difference	2	1	3
At 31 December 2017	131	84	215
Net book value			
At 31 December 2017	21	5	26
At 31 December 2016	24	2	26

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

15. Fixed asset investments

	2017 £'000	2016 £'000
Subsidiary undertakings	33,143	32,704
Total	33,143	32,704
		Subsidiary undertakings £'000
Cost		
At 1 January 2017		33,626
Additions		439
At 31 December 2017		34,065
Provisions for impairment		
At 1 January 2017 and 31 December 2017		922
Carrying value at 31 December 2017		33,143

The additions during 2017 represent an increase of £184,000 in the investment of Robert Walters Sdn Bhd (Malaysia) and a new investment of £255,000 in Resource Solutions Japan Kabusiki Kaisya KK (Japan).

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

15. Fixed asset investments (continued)

Investments

Subsidiary undertaking	Effective ownership of ordinary shares	Principal activity	Country of incorporation	Registered address
Robert Walters Pty Limited	100%	Recruitment consultancy	Australia	Level 41, 385 Bourke St, Melbourne, Victoria 3000, Australia
Resource Solutions Corporation Pty Limited	100%	HR outsourcing Services	Australia	Level 41, 385 Bourke St, Melbourne, Victoria 3000, Australia
Robert Walters SA	100%	Recruitment consultancy	Belgium	149 avenue Louise, Bruxelles 1050, Belgium
Robert Walters People Solutions SA	100%	Recruitment consultancy	Belgium	149 avenue Louise, Bruxelles 1050, Belgium
Robert Walters Brazil Limitada	100%	Recruitment consultancy	Brazil	Rua de Rocios 350, Edif. Atrium IX, Conji 41-4, 4552-000, Vila Olimpia, São Paulo, Brazil
Robert Walters Canada Inc	100%	Recruitment consultancy	Canada	100 King Street West, Suited 5600, Toronto, Canada M5X 1C9
Robert Walters Talent Consulting (Shanghai) Ltd	100%	Recruitment consultancy	China	Unit 3601B-3604 Floor, Tower 2, Jing An Kerry Centre, 1539 West Nanjing Road, Shanghai, China 200040
Robert Walters Talent China Limited	100%	Recruitment consultancy	China	Unit 3601B-3604 Floor, Tower 2, Jing An Kerry Centre, 1539 West Nanjing Road, Shanghai, China 200040
Resource Solutions Europe Limited (Czech Republic)	100%	HR outsourcing Services	Czech Republic	Klimenstska 1207/10, Nove Mesto, Phraha, PSC 110 00, Czech Republic
Robert Walters SAS	100%	Recruitment consultancy	France	21-25 rue Balzac, 75008 Paris, France
Walters People SAS	100%	Recruitment consultancy	France	16 rue Washington, 75008 Paris, France
Walters People Business Support SAS	100%	Recruitment consultancy	France	16 rue Washington, 75008 Paris, France
Robert Walters Germany GMBH	100%	Recruitment consultancy	Germany	Benrather Strasse 12, 40213 Dusseldorf, Germany
Resource Solutions Consulting (Hong Kong) Limited	100%	HR outsourcing Services	Hong Kong	20/F Nexxus Building, 41 Connaught Road Central, Central Hong Kong
Robert Walters (Hong Kong) Limited	100%	Recruitment consultancy	Hong Kong	20/F Nexxus Building, 41 Connaught Road Central, Central Hong Kong

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

15. Fixed asset investments (continued)

Subsidiary undertaking	Effective ownership of ordinary shares	Principal activity	Country of incorporation	Registered address
Hungarian Branch Office of Resource Solutions Europe Ltd (Hungary)	100%	HR outsourcing Services	Hungary	H-1037 Budapest, Montevideo u. 3/A, Hungary
Resource Solutions India Private Limited	100%	HR outsourcing Services	India	Regus Midtown, Level 1, Midtown Pl, Road No 1, Banjara Hill, Hyderabad 500034, Telangana India
PT. Robert Walters Indonesia	100%	Recruitment consultancy	Indonesia	World Trade Centre 9th Floor, Jl Jend Sudirman Kav 29-31 Jakarta, Indonesia 12920
Robert Walters Luxemburg Investment SARL	100%	Investment	Ireland	26a Boulevard Royal, L2449, Luxembourg
Resource Solutions Japan Kabusiki Kaisya KK	100%	HR outsourcing services	Japan	3-12/18 Shibuya, Shibuya-ku, Tokyo, Japan
Resource Solutions Europe Limited Lietuos Filialas (Lithuania)	100%	HR outsourcing Services	Lithuania	Antano Tumeno g.4, Vilnius, Lithuania
Robert Walters (Luxemburg) Operations ltd	100%	Recruitment consultancy	Luxembourg	26a Boulevard Royal, L-2449 Luxembourg
Robert Walters Resource Solutions Sdn Bhd	100%	HR outsourcing Services	Malaysia	B4-3A-6 Solaris Dutamas, No 1 Jalan Dutamas 1, 50480, Kuala Lumpur, Malaysia
Robert Walters Sdn Bhd	100%	Recruitment consultancy	Malaysia	B4-3A-6 Solaris Dutamas, No 1 Jalan Dutamas 1, 50480, Kuala Lumpur, Malaysia
Robert Walters BV	100%	Recruitment consultancy	Netherlands	Zuidplein 28, WTC, Toren H, 1077 XV Amsterdam
Walters People BV	100%	Recruitment consultancy	Netherlands	Zuidplein 28, WTC, Toren H, 1077 XV Amsterdam
Robert Walters New Zealand Limited	100%	Recruitment consultancy	New Zealand	c/o Deloitte, 80 Queen Street, Auckland 1010 New Zealand
Robert Walters Portugal Unipessoal Lda	100%	Recruitment consultancy	Portugal	Avenida da Republica, Numero 50, 10 andar, Lisbon, Portugal
Resource Solutions Consulting (Singapore) Pte Ltd	100%	HR outsourcing Services	Singapore	6 Battery Road #22-01 Singapore 049909
Robert Walters (Singapore) Pte Limited	100%	Recruitment consultancy	Singapore	6 Battery Road #22-01 Singapore 049909
Walters People Singapore Pte Ltd	100%	Recruitment consultancy	Singapore	6 Battery Road #22-01 Singapore 049909

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

15. Fixed asset investments (continued)

Subsidiary undertaking	Effective ownership of ordinary shares	Principal activity	Country of incorporation	Registered address
Robert Walters South Africa Proprietary Limited	100%	Recruitment consultancy	South Africa	19th Floor, GreenPark Corner, Cnr West Road South and Lower Road, Morningside, Sandton, Johannesburg, 2196 South Africa
Robert Walters External Profit Company (South Africa)	100%	Recruitment consultancy	South Africa	19th Floor, GreenPark Corner, Cnr West Road South and Lower Road, Morningside, Sandton, Johannesburg, 2196 South Africa
Robert Walters Holding SAS Sucursal En Espana	100%	Recruitment consultancy	Spain	Paseo de la Castellana, 13 4 planta Iza 18046 Madrid, Spain
Walters People Sociedad Limitada Empresa de Trabajo Temporal	100%	Recruitment consultancy	Spain	Calle Almagro 30, 18010 Madrid, Spain
Robert Walters Korea Limited	100%	Recruitment consultancy	South Korea	21F East Center, Center 1 Building, 26 Euljiro 5 gil, Jung-gu, Seoul 04539, South Korea
Robert Walters Switzerland AG	100%	Recruitment consultancy	Switzerland	Claridenstrasse 41, Zurich 8002, Switzerland
Robert Walters Company Limited (Taiwan)	100%	Recruitment consultancy	Taiwan	10 F No 1 Songzhi Road, Zin-Yi District, Taipei, Taiwan
Robert Walters Recruitment (Thailand) Ltd	100%	Recruitment consultancy	Thailand	Q House Lumpini, 12th Floor, Unit 1201, 1 South Sathorn Road, Thungmahamek, Sathorn Bangkok 100120, Thailand
Robert Walters Dubai Ltd	100%	Recruitment consultancy	United Kingdom	11 Slingsby Place, St Martin's Courtyard, London WC2E 9AB, UK
Robert Walters Operations Limited	100%	Recruitment consultancy	United Kingdom	11 Slingsby Place, St Martin's Courtyard, London WC2E 9AB, UK
Robert Walters Consultancy ¹	100%	Recruitment consultancy	United Kingdom	11 Slingsby Place, St Martin's Courtyard, London WC2E 9AB, UK
Resource Solutions Limited	100%	HR outsourcing Services	United Kingdom	11 Slingsby Place, St Martin's Courtyard, London WC2E 9AB, UK
Resource Solutions Europe Limited	100%	HR outsourcing Services	United Kingdom	11 Slingsby Place, St Martin's Courtyard, London WC2E 9AB, UK
Resource Solutions Europe Limited External Profit Company	100%	HR outsourcing Services	United Kingdom	11 Slingsby Place, St Martin's Courtyard, London WC2E 9AB, UK

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

15. Fixed asset investments (continued)

Subsidiary undertaking	Effective ownership of ordinary shares	Principal activity	Country of incorporation	Registered address
Resource Solutions Technology Consultancy Services Ltd ¹	100%	Recruitment consultancy	United Kingdom	11 Slingsby Place, St Martin's Courtyard, London WC2E 9AB, UK
Robert Walters Holdings Limited ²	100%	Holding Company	United Kingdom	11 Slingsby Place, St Martin's Courtyard, London WC2E 9AB, UK
Walters Interim Ltd ¹	100%	Recruitment consultancy	United Kingdom	11 Slingsby Place, St Martin's Courtyard, London WC2E 9AB, UK
Resource Solutions Inc (Delaware)	100%	HR outsourcing Services	USA	7 Times Square, Suite 4301, New York NY 10036, USA
Resource Solutions Inc (Florida)	100%	HR outsourcing Services	USA	11 Slingsby Place, St Martin's Courtyard, London WC2E 9AB, UK
Robert Walters Associates Inc.	100%	Recruitment consultancy	USA	7 Times Square, Suite 4301, New York NY 10036, USA
Robert Walters Associates California Inc.	100%	Recruitment consultancy	USA	101 Mission Street, Suite 2000, San Francisco CA 94105, USA
Robert Walters Holdings North America	100%	Recruitment consultancy	USA	7 Times Square, Suite 4301, New York NY 10036, USA
Robert Walters Vietnam Company Limited	100%	Recruitment consultancy	Vietnam	138-142 Hai Ba Trung Street, Da Kao Ward District 1, Ho Chi Minh City, Vietnam

1 These subsidiaries, all of which are incorporated in England and Wales, are exempt from the requirements of the UK Companies Act 2006 relating to the individual accounts by virtue of section s394A of that Act.

2 Robert Walters Holdings Limited has branch operations in Luxembourg and South Africa.

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

16. Debtors: amounts falling due within one year

	2017 £'000	2016 £'000
Trade debtors	339	343
Amounts owed from group undertakings	24,391	11,927
Prepayments and other debtors	360	363
Other taxes and social security	27	27
	<u>25,117</u>	<u>12,660</u>

As at 31st December 2017, the Company recognised £15,000 (2016: £24,000) of provision against gross receivables, included in the Trade Debtors balance.

Amounts owed by group undertakings carry an interest rate of between 0% and 1% above Bank of England base rate and are repayable on demand.

17. Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Trade creditors	18	34
Amounts owed to group undertakings	6,451	4,449
Other taxation and social security	26	24
Other creditors	60	28
Accruals and deferred income	212	111
Corporation tax	323	240
	<u>7,090</u>	<u>4,886</u>

Amounts owed to group undertakings carry an interest rate of between 0% and 1% above Bank of England base rate.

In January 2017, the Group renewed and extended to four years its committed financing facility of £45m which expires in December 2020. The interest charge recognised in Robert Walters Holdings Limited for this facility for the year was £nil (2016:£ nil).

18. Called up share capital

	2017 Number	2016 Number	2017 £'000	2016 £'000
Authorised				
ordinary shares of 5p each	40,000	40,000	<u>2,000</u>	<u>2,000</u>
Called up, allotted and fully paid				
ordinary shares of 5p each	26,679	26,679	<u>1,334</u>	<u>1,334</u>

The Company has one class of ordinary shares which carry no right to fixed income.

Robert Walters Holdings Limited

Notes to the accounts For the Year ended 31 December 2017

18. Called up share capital (continued)

The Company's other reserves are as follows:

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The profit and loss reserve represents cumulative profits or losses, including unrealised profit on the remeasurement of investment properties, net of dividends paid and other adjustments.

The foreign currency reserve represents the historical cumulative profits or losses on the retranslation of long term loans with group undertakings.

The capital redemption reserve contains the cumulative shares repurchased by the Company and not reissued.

19. Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £'000	2016 £'000
Property leases expiry date:		
Within one year	-	-
Between two and five years	436	574
Over five years	-	-
	<u>436</u>	<u>574</u>

20. Employee benefits

The Company operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to profit or loss in the year ended 31 December 2017 was £12,000 (2016: £8,000). The total amounts unpaid at 31 December 2017 was £783 (2016: £313).

21. Contingent liabilities

Each member of the Robert Walters plc group is party to joint and several guarantees in respect of banking facilities granted to Robert Walters Holdings Limited.

There were no other significant contingent liabilities at 31 December 2017 (2016: £nil).

22. Subsequent events

There have been no significant events since the balance sheet date.

23. Related party transactions

The company is a subsidiary undertaking of Robert Walters plc, which prepares consolidated financial statements that are publically available. On this basis, the company has taken advantage of the exemption in FRS 102 from disclosing transactions with other wholly-owned subsidiaries of Robert Walters plc.

Robert Walters Holdings Limited

Notes to the accounts

For the Year ended 31 December 2017

24. Ultimate controlling party

The directors regard Robert Walters plc, a company incorporated in the United Kingdom and registered in England and Wales, as the ultimate parent company and the ultimate controlling party. Robert Walters plc is also the immediate parent of the company. The registered office of Robert Walters plc is 11 Slingsby Place, St Martin's Courtyard, London, WC2E 9AB.

Robert Walters plc is the parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from 11 Slingsby Place, London WC2E 9AB.