

# FINANCIAL STATEMENTS

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# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAYS PLC

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

#### In our opinion:

- Hays plc's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 30 June 2024 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report & Accounts (the "Annual Report"), which comprise: the Consolidated Balance Sheet and Hays plc Company Balance Sheet as at 30 June 2024; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and the Hays plc Company Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

### 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 group 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, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 7, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

### Our audit approach

#### Overview

#### Audit scope

- We performed full scope audits on 23 components;
- In addition, for a further two components, we performed specific procedures on certain account balances or classes of transactions within each component based on either the size or risk profile of those accounts;
- Specific audit procedures in relation to various Group activities, including over the consolidation, share based payments, taxation, pensions, certain costs classified as exceptional items, the Group's revolving credit facility and associated interest charges and the carrying value of goodwill were performed by the Group team centrally; and
- We performed a statutory audit of the company.

#### Key audit matters

- Recoverability of trade receivables (group)
- Recognition and presentation of exceptional items (group)
- Carrying value of investments (parent)

#### Materiality

- Overall group materiality: £8.2 million (2023: £9.5 million) based on 5% of the average of the last three years' group profit before tax and exceptional items (2023: 5% of the group's profit before tax).
- Overall company materiality: £8.6 million (2023: £7.0 million) based on 1% of total assets, with certain procedures restricted by the amount of materiality available for allocation.
- Performance materiality: £6.1 million (2023: £7.1 million) (group) and £6.4 million (2023: £5.3 million) (company).

#### The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

#### Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Presentation of exceptional items is a new key audit matter this year. Valuation of provisions, which was a key audit matter last year, is no longer included because of the settlement of an ongoing matter in the year meant we expended less audit effort than in previous years. Otherwise, the key audit matters below are consistent with last year.

## Independent auditors' report to the members of Hays plc continued

### Key audit matter

#### Recoverability of trade receivables (group)

Refer to the Audit and Risk Committee Report, Note 2, Note 3 and Note 18 to the Financial Statements for the Directors' disclosures of the related accounting policies and estimates.

At 30 June 2024, total trade receivables balances included in Note 18 were £754.3 million (2023: £727.0 million), net of provisions of £18.6 million (2023: £19.2 million).

The recoverability of trade receivables and the level of provisions for expected credit losses are considered to be a key audit matter due to the significance of these balances to the Financial Statements and the judgements required in making appropriate provisions.

### How our audit addressed the key audit matter

- In order to test the recoverability of trade receivables we performed the following procedures:
- We obtained an understanding of management's process for developing its provision for expected credit losses on trade receivables;
- In each location within full scope of our audit we validated the ageing profile of trade receivables;
- In respect of management's expected credit loss model: we assessed the mathematical accuracy of the model;
  - we assessed whether the expected credit loss provision was calculated in accordance with the Group's provisioning policy;
  - we agreed the historical data included in the model to previously audited information;
  - we assessed the appropriateness of forward looking risk factors incorporated in management's model to third party supporting information; and,
  - we considered the sensitivity of changes in the forward looking risk factors to the valuation of the provision.
- Our testing also took into consideration the appropriateness of key assumptions included in management's expected credit loss model and assessed whether there was any indication of management bias in the estimate.

We challenged management as to whether the expected credit loss provision appropriately reflected the level of risk in the total receivables balance, which included considering general economic conditions and individual counterparty credit risk.

Based on the procedures performed, we noted no material issues arising from our work.

#### Recognition and presentation of exceptional items (group)

Refer to the Audit and Risk Committee Report and Notes 2, 3 and 5 to the Consolidated Financial Statements for the Directors' disclosures of the related accounting judgements and details of the exceptional items.

The Group recorded exceptional items of £80.0 million (2023: £nil) which were included on the Consolidated Income Statement and disclosed within the Annual Report and Accounts.

The presentation of these items as exceptional is judgmental and has a significant impact on the reader's interpretation of the results of the Group as detailed in the financial statements. Due to the material nature and number of exceptional items this year, we focused on the presentation of these items to assess whether they were treated consistently with the Group's accounting policy and had been appropriately explained and disclosed. We also assessed whether there was any indication of costs being accrued as exceptional items that didn't yet meet the conditions for recognition.

In order to test the appropriateness of the presentation and timing of recognition of items considered to be exceptional in line with management's policy, we performed the following procedures:

- We obtained an understanding of management's process for identifying and approving costs recognised as exceptional in nature;
- We performed substantive audit procedures on a sample of exceptional items and agreed them to corroborating evidence. This included procedures at certain overseas locations in scope for our Group audit as well as those performed centrally;
- We obtained an understanding of the nature of the items subject to our testing and corroborated management's rationale for classification as exceptional in accordance with the Group's accounting policy on such items;
- As part of our testing we also assessed whether the exceptional items had met the conditions for being recognised in the year ended 30 June 2024; and,
- We assessed the appropriateness and completeness of the disclosures relating to these exceptional items, and whether there was equal prominence of GAAP and non-GAAP measures within the Annual Report and Accounts.

We did not encounter any material issues through these audit procedures.

## Key audit matter

### Carrying value of investments (parent)

Refer to Note 1 and Note 4 of the Company Financial Statements.

At 30 June 2024, the Company held investments in its subsidiaries with a carrying value of £743.9 million (2023: £743.9 million).

In accordance with IAS 36, Impairment of Assets, management has performed a year end assessment to determine whether there is any indication of impairment of the investment assets. This included consideration of external sources of information such as the market capitalisation of the group and changes in the market conditions in which the group operates, as well as internal sources including future cash flow forecasts used as part of other impairment assessments.

Based on its trigger assessment exercise no impairment of these investments was identified by management.

We focused on this area due to the significant size of the investment balances to the Company balance sheet.

## How our audit addressed the key audit matter

We obtained and evaluated the assessment prepared by management to determine whether there was any indication of impairment on the carrying value of the Company's investments.

We also performed the following procedures:

- We obtained an understanding of management's process for assessing indications of impairment;
- We compared the group's market capitalisation throughout the year ended 30 June 2024 to the carrying value of the investments;
- We compared the investment in subsidiary values to the net asset values of these subsidiaries;
- We assessed management's consideration of internal sources of information, specifically future cash flow forecasts; and,
- We verified the consistency of the future cash flow forecasts with those used elsewhere in the business (including the goodwill impairment assessment, and the going concern and viability assessments) which subject to other audit procedures.

To challenge management's conclusion, we performed sensitivity analysis on the key assumptions within the cash flow forecasts. This included sensitising the discount rate applied to the future cash flows, and the short and longer term growth rates and operating profit forecast.

Following the conclusion of our procedures above, we are satisfied that there was no indication of a trigger for impairment.

## How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The Group's 33 trading countries are structured across four reporting segments, Australia & New Zealand ('ANZ'), Germany, UK & Ireland ('UK&I') and Rest of World ('ROW'). Of the 33 trading countries, four components in the UK, Germany and Australia, subject to full scope audits, together represent 62% of the Group's net fees and 46% of the Group's profit before tax, excluding exceptional items, intercompany operating income and expenses and calculated on an absolute basis. Within these three countries we considered three components to be financially significant to the Group.

A further 19 other components were also subject to full scope audits by PwC teams which, together with centrally performed audit procedures, represented a further 22% of Group net fees and 25% of Group's profit before tax excluding exceptional items, intercompany operating income and expenses and calculated on an absolute basis. In total, including audit of specific classes of transactions, our procedures covered 90% of the Group's gross fees, 85% of the Group's net fees and 71% of the Group's profit before tax excluding exceptional items, intercompany operating income and expenses and calculated on an absolute basis.

One holding company was subject to a limited scope audit of tax balances.

Central review procedures were performed by the Group audit team on the remaining entities that were not subject to full scope or specific procedures. These countries represented the remaining 15% of net fees and 29% of Group profit before tax excluding exceptional items, intercompany operating income and expenses and calculated on an absolute basis. We ensured that we maintained appropriate oversight of our component auditors through issuing detailed instructions and maintaining remote

communications with all the teams. We visited our significant component team in Australia during the year end audit process and maintained regular contact with our team in Germany, having visited the local operations during the last financial year. This included regular video conferences and remote working paper reviews to direct and supervise the work of these teams to satisfy ourselves as to the appropriateness of the audit work performed. The audit of the other significant component in the UK is conducted by members of the Group team.

The Group audit team also joined the audit clearance meetings for each of the components that were subject to full scope audit procedures.

The parent company is comprised of one component, included in those detailed above, which was subject to a full scope audit by the group engagement team for the purposes of the company financial statements.

## The impact of climate risk on our audit

As part of the audit, we made enquiries of management to understand and evaluate the Group's risk assessment process in relation to climate change. We reviewed management's paper which sets out its assessment of climate change risk to the Group and the impact on the financial statements, and also considered this assessment in light of the disclosures on TCFD in this third year of its application. In evaluating the completeness of the risks identified, we reviewed management's assessment and challenged management on how it considered the potential financial impacts of the Group's commitment to halving its GHG emissions by 2026 and becoming a Net Zero company. Management concluded there are no significant financial reporting risks arising. Based on our evaluation of this assessment, we concluded this was appropriate. We also read the disclosures in relation to climate change made in the Strategic Report section of the Annual Report to ascertain whether the disclosures are materially consistent with the financial statements and our knowledge from our audit. Our responsibility over other information is further described in the "reporting on other information" section of this report.

## Independent auditors’ report to the members of Hays plc continued

### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – company
<b>Overall materiality</b>	£8.2 million (2023: £9.5 million).	£8.6 million (2023: £7.0 million).
<b>How we determined it</b>	5% of the average of the last three years’ group profit before tax and exceptional items (2023: 5% of the group’s profit before tax)	1% of total assets, with certain procedures restricted by the amount of materiality available for allocation
<b>Rationale for benchmark applied</b>	We believe that profit before tax adjusted for exceptional items is the primary measure used by management and the shareholders in assessing the performance of the Group, and is a generally accepted auditing benchmark. We have applied a three-year average to the profit before tax (before exceptional items) of the financial years 2022 (£204.3 million), 2023 (£192.1 million) and 2024 (£94.8 million) due to the volatility in the underlying business performance.	We believe that total assets is the most appropriate measure to assess a holding Company, and is a generally accepted auditing benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £0.6 million and £7.7 million. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2022: 75%) of overall materiality, amounting to £6.1 million (2023: £7.1 million) for the group financial statements and £6.4 million (2023: £5.3 million) for the company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £400,000 (group audit) (2023: £500,000) and £240,000 (company audit) (2023: £350,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

### Conclusions relating to going concern

Our evaluation of the directors’ assessment of the group’s and the company’s ability to continue to adopt the going concern basis of accounting included:

- Performing a walkthrough of the Group’s financial statement close process, budgeting and forecasting process and confirming our understanding of management’s going concern assessment process;
- Obtaining management’s going concern model which included a base case, and a severe but plausible downside scenario covering the going concern assessment period;

- Critically assessing the assumptions within the models including: assessing the historical accuracy of management’s forecast and obtaining corroborating, and considering contradictory, evidence for the assumptions used;
- Reviewing management’s sensitivity analysis and performing additional sensitivities on the severe but plausible case to assess the impact on the liquidity and covenant headroom;
- Reviewing the directors’ identified available mitigating factors where required and included within the cash flow forecast;
- Testing the mathematical accuracy of the directors’ cash flow forecast and validating the opening cash position;
- Understanding management’s expectations regarding renewing the Group’s revolving credit facility; and,
- Assessing the adequacy of the disclosure provided in note 2 of the consolidated and Company financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group’s and the company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group’s and the company’s ability to continue as a going concern.

In relation to the directors’ reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors’ statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



## 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 Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 June 2024 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 group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

### Directors' Remuneration

In our opinion, the part of the Annual Report on Remuneration to be audited has been properly prepared in accordance with the Companies Act 2006.

## Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;

- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit and Risk Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

## 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, 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 group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

## Independent auditors' report to the members of Hays plc continued

### 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK Listing Rules, employment legislation and data protection regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and tax regulations. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of unusual journals to increase revenue and/or decrease costs and therefore increase profits, and management bias in determining accounting estimates. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Discussions with senior management, Group legal counsel, Internal Audit, and the Audit Committee, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Reviewing the Financial Statement disclosures and agreeing to underlying supporting documentation;
- Reviewing Executive management's incentives and bonus schemes to understand and review drivers that could lead to higher fraud risks;
- Performing unpredictable procedures; and
- Identifying and testing journal entries, in particular, journal entries which had unexpected account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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.

## 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 obtained 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 company financial statements and the part of the Annual Report on Remuneration to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### Appointment

Following the recommendation of the Audit and Risk Committee, we were appointed by the directors on 9 November 2016 to audit the financial statements for the year ended 30 June 2017 and subsequent financial periods. The period of total uninterrupted engagement is 8 years, covering the years ended 30 June 2017 to 30 June 2024.

## OTHER MATTER

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

### Jonathan Sturges (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
21 August 2024

# CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2024

(In £s million)	Note	2024 Before exceptional items	2024 Exceptional items (note 5)	2024	2023
<b>Turnover</b>	4, 6	<b>6,949.1</b>	–	<b>6,949.1</b>	7,583.3
<b>Net fees<sup>(1)</sup></b>	4, 6	<b>1,113.6</b>	–	<b>1,113.6</b>	1,294.6
Administrative expenses <sup>(2)</sup>	6	<b>(1,008.5)</b>	(80.0)	<b>(1,088.5)</b>	(1,097.6)
<b>Operating profit</b>	4	<b>105.1</b>	(80.0)	<b>25.1</b>	197.0
Net finance charge <sup>(3)</sup>	9	<b>(10.4)</b>	–	<b>(10.4)</b>	(4.9)
<b>Profit before tax</b>		<b>94.7</b>	(80.0)	<b>14.7</b>	192.1
Tax	10	<b>(30.7)</b>	11.1	<b>(19.6)</b>	(53.8)
<b>Profit/(loss) after tax</b>		<b>64.0</b>	(68.9)	<b>(4.9)</b>	138.3
<b>Profit/(loss) attributable to equity holders of the parent company</b>		<b>64.0</b>	(68.9)	<b>(4.9)</b>	138.3
Earnings per share (pence)					
• Basic	12	<b>4.03p</b>	(4.34p)	<b>(0.31p)</b>	8.59p
• Diluted	12	<b>4.00p</b>	(4.31p)	<b>(0.31p)</b>	8.52p

(1) Net fees comprise turnover less remuneration of temporary workers and other recruitment agencies.

(2) Administrative expenses include impairment loss on trade receivables of £1.4 million (2023: £3.0 million).

(3) Net finance charge is stated net of interest received on bank deposits of £3.2 million (2023: £2.0 million).

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2024

(In £s million)	2024	2023
(Loss)/profit for the year	<b>(4.9)</b>	138.3
<b>Items that will not be reclassified subsequently to profit or loss:</b>		
Actuarial remeasurement of defined benefit pension schemes	<b>(23.2)</b>	(95.1)
Tax relating to components of other comprehensive income	<b>5.6</b>	19.5
	<b>(17.6)</b>	(75.6)
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Currency translation adjustments	<b>(4.1)</b>	(15.6)
Other comprehensive loss for the year net of tax	<b>(21.7)</b>	(91.2)
Total comprehensive (loss)/income for the year	<b>(26.6)</b>	47.1
Attributable to equity shareholders of the parent company	<b>(26.6)</b>	47.1



# CONSOLIDATED BALANCE SHEET

At 30 June 2024

(In £s million)	Note	2024	2023
<b>Non-current assets</b>			
Goodwill	13	182.9	200.3
Other intangible assets	14	37.7	53.7
Property, plant and equipment	15	25.2	29.7
Right-of-use assets	16	162.2	176.1
Deferred tax assets	17	25.4	21.4
Retirement benefit surplus	23	19.4	25.7
		<b>452.8</b>	506.9
<b>Current assets</b>			
Trade and other receivables	18	1,194.5	1,244.6
Corporation tax debtor		9.1	6.8
Cash and cash equivalents	19	121.8	145.6
Derivative financial instruments	20	–	0.1
		<b>1,325.4</b>	1,397.1
<b>Total assets</b>		<b>1,778.2</b>	1,904.0
<b>Current liabilities</b>			
Trade and other payables	22	(926.6)	(991.3)
Lease liabilities	16	(44.2)	(41.3)
Corporation tax liabilities		(13.0)	(16.2)
Provisions	24	(24.0)	(10.8)
		<b>(1,007.8)</b>	(1,059.6)
<b>Non-current liabilities</b>			
Bank loans	21	(65.0)	(10.0)
Deferred tax liabilities	17	–	(2.8)
Lease liabilities	16	(135.1)	(148.5)
Provisions	24	(12.7)	(12.8)
		<b>(212.8)</b>	(174.1)
<b>Total liabilities</b>		<b>(1,220.6)</b>	(1,233.7)
<b>Net assets</b>		<b>557.6</b>	670.3
<b>Equity</b>			
Called up share capital	25	16.0	16.0
Share premium		369.6	369.6
Merger reserve	26	28.8	43.8
Capital redemption reserve		3.4	3.4
Retained earnings		62.0	155.4
Cumulative translation reserve		53.9	58.0
Equity reserve		23.9	24.1
<b>Total equity</b>		<b>557.6</b>	670.3

The Consolidated Financial Statements of Hays plc, registered number 2150950, as set out on pages 155 to 195 were approved by the Board of Directors and authorised for issue on 21 August 2024.

Signed on behalf of the Board of Directors

**D Hahn**                      **J Hilton**

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

(In £s million)	Called up share capital	Share premium	Merger reserve <sup>(1)</sup>	Capital redemption reserve	Retained earnings	Cumulative translation reserve	Equity reserve <sup>(2)</sup>	Total equity
At 1 July 2023	16.0	369.6	43.8	3.4	155.4	58.0	24.1	670.3
Currency translation adjustments	-	-	-	-	-	(4.1)	-	(4.1)
Remeasurement of defined benefit pension schemes	-	-	-	-	(23.2)	-	-	(23.2)
Tax relating to components of other comprehensive income	-	-	-	-	5.6	-	-	5.6
Net expense recognised in other comprehensive income	-	-	-	-	(17.6)	(4.1)	-	(21.7)
Loss for the year	-	-	-	-	(4.9)	-	-	(4.9)
Total comprehensive income for the year	-	-	-	-	(22.5)	(4.1)	-	(26.6)
Dividends paid	-	-	(15.0)	-	(68.3)	-	-	(83.3)
Purchase of own shares	-	-	-	-	(12.3)	-	-	(12.3)
Share-based payments charged to the income statement	-	-	-	-	-	-	9.5	9.5
Share-based payments settled on vesting	-	-	-	-	9.7	-	(9.7)	-
<b>At 30 June 2024</b>	<b>16.0</b>	<b>369.6</b>	<b>28.8</b>	<b>3.4</b>	<b>62.0</b>	<b>53.9</b>	<b>23.9</b>	<b>557.6</b>

For the year ended 30 June 2023

(In £s million)	Called up share capital	Share premium	Merger reserve <sup>(1)</sup>	Capital redemption reserve	Retained earnings	Cumulative translation reserve	Equity reserve <sup>(2)</sup>	Total equity
At 1 July 2022	16.7	369.6	43.8	2.7	268.2	73.6	21.6	796.2
Currency translation adjustments	-	-	-	-	-	(15.6)	-	(15.6)
Remeasurement of defined benefit pension schemes	-	-	-	-	(95.1)	-	-	(95.1)
Tax relating to components of other comprehensive income	-	-	-	-	19.5	-	-	19.5
Net expense recognised in other comprehensive income	-	-	-	-	(75.6)	(15.6)	-	(91.2)
Profit for the year	-	-	-	-	138.3	-	-	138.3
Total comprehensive income for the year	-	-	-	-	62.7	(15.6)	-	47.1
Dividends paid	-	-	-	-	(165.1)	-	-	(165.1)
Purchase of own shares	(0.7)	-	-	0.7	(19.0)	-	-	(19.0)
Share-based payments charged to the income statement	-	-	-	-	-	-	11.1	11.1
Share-based payments settled on vesting	-	-	-	-	8.6	-	(8.6)	-
<b>At 30 June 2023</b>	<b>16.0</b>	<b>369.6</b>	<b>43.8</b>	<b>3.4</b>	<b>155.4</b>	<b>58.0</b>	<b>24.1</b>	<b>670.3</b>

(1) The Merger reserve was generated under Section 612 of the Companies Act 2006, as a result of the cash box structure used in the equity placing of new shares issued during the year ended 30 June 2020.

(2) The Equity reserve is generated as a result of IFRS 2 'Share-based payments'.

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2024

(In £s million)	2024	2023
<b>Operating profit</b>	<b>25.1</b>	197.0
Adjustments for:		
Exceptional items (note 4)	<b>80.0</b>	–
Depreciation of property, plant and equipment	<b>11.1</b>	10.9
Depreciation of right-of-use assets	<b>46.0</b>	46.0
Amortisation of intangible assets	<b>9.2</b>	10.0
Loss on disposal of business assets	–	0.1
Net movements in provisions (excluding exceptional items) <sup>(1)</sup>	<b>0.2</b>	1.9
Share-based payments (excluding exceptional items)	<b>8.2</b>	12.0
	<b>154.7</b>	80.9
<b>Operating cash flow before movement in working capital</b>	<b>179.8</b>	277.9
Movement in working capital:		
Decrease/(increase) in receivables	<b>43.2</b>	(53.2)
(Decrease)/increase in payables <sup>(1)</sup>	<b>(59.7)</b>	24.5
Movement in working capital	<b>(16.5)</b>	(28.7)
<b>Cash generated by operations</b>	<b>163.3</b>	249.2
Cash paid in respect of exceptional items	<b>(22.9)</b>	–
Pension scheme deficit funding	<b>(18.2)</b>	(17.7)
Income taxes paid	<b>(26.4)</b>	(65.8)
<b>Net cash inflow from operating activities</b>	<b>95.8</b>	165.7
<b>Investing activities</b>		
Purchase of property, plant and equipment	<b>(7.6)</b>	(12.3)
Purchase of intangible assets	<b>(15.8)</b>	(16.8)
Acquisition of subsidiaries	–	(1.0)
Interest received	<b>3.2</b>	2.0
<b>Net cash used in investing activities</b>	<b>(20.2)</b>	(28.1)
<b>Financing activities</b>		
Interest paid	<b>(7.2)</b>	(3.7)
Lease liability principal repayment	<b>(51.0)</b>	(49.9)
Purchase of own shares	<b>(12.3)</b>	(75.7)
Equity dividends paid	<b>(83.3)</b>	(165.1)
Increase in bank loans and overdrafts	<b>55.0</b>	10.0
<b>Net cash used in financing activities</b>	<b>(98.8)</b>	(284.4)
<b>Net decrease in cash and cash equivalents</b>	<b>(23.2)</b>	(146.8)
<b>Cash and cash equivalents at beginning of year</b>	<b>145.6</b>	296.2
Effect of foreign exchange rate movements	<b>(0.6)</b>	(3.8)
<b>Cash and cash equivalents at end of year</b>	<b>121.8</b>	145.6

(1) Net movements in provisions (excluding exceptionals) for the year ended 30 June 2024 includes transfer of dilapidation provision from accruals to provisions, with a corresponding decrease in payables of £5.4 million. There has been no impact on the Group's Cash generated by operations, cash inflow from operating activities, or on cash conversion.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 General information

Hays plc is a Company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales and its registered office and principal place of business is 4<sup>th</sup> Floor, 20 Triton Street, London NW1 3BF.

The Consolidated Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards. The Consolidated Financial Statements are presented in sterling, the functional currency of Hays plc.

### New standards and interpretations

The Consolidated Financial Statements have been prepared on the basis of the accounting policies and methods of computation applicable for the year ended 30 June 2024. These accounting policies are consistent with those applied in the preparation of the Consolidated Financial Statements for the year ended 30 June 2023; the Group has applied the IAS 12 amendment which provides an exemption from recognising and disclosing information related to Pillar Two top-up taxes (see note 10).

The following new standard is mandatory for the first time in the Group's accounting period beginning on 1 July 2023 and no new standards have been early adopted. The Group's financial statements have adopted the new standard, but it has had no material impact on the Group's results or financial position:

- IFRS 17 – Insurance contracts (effective 1 January 2023)

The Group has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but which are only effective for the Group accounting periods beginning on or after 1 July 2024. These new pronouncements are listed as follows:

- IFRS 16 (amendments) 'Lease accounting', on sale and leaseback (effective 1 January 2024);
- IAS 1 (amendments) 'Presentation of Financial Statements', on non-current liabilities with covenants (effective 1 January 2024); and
- IAS 7 (amendments) 'Financial instruments', on supplier finance (effective 1 January 2024).

The Directors are currently evaluating the impact of the adoption of the standards, amendments and interpretations but do not expect them to have a material impact on the Group's operations or results.

The Group's principal accounting policies adopted in the presentation of these Consolidated Financial Statements are set out below and have been consistently applied to all the periods presented.

## 2 Material accounting policies

### a Basis of preparation

The Consolidated Financial Statements have been prepared on the historical cost basis with the exception of financial instruments, pension assets and share-based payments. Financial instruments have been recorded initially on a fair value basis and then at amortised cost. Pension assets and share-based payments have been measured at fair value.

### b Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The financial position of the Group, its cash flows and liquidity position are described in the Chief Financial Officer's Review, with details of the Group's treasury activities, long-term funding arrangements and exposure to financial risk included in notes 19 to 21 to the Consolidated Financial Statements.

As in prior years, the Board undertook a strategic business review in the current year which took into account the Group's current financial position and the potential impact of the principal risks set out in the Annual Report.

In addition, and in making this statement, the Board carried out a robust assessment of the principal risks facing the Group, including those that would threaten the Group's business model, future performance and liquidity. While the review has considered all the principal risks identified by the Group, the resilience of the Group to the occurrence of these risks in severe yet plausible scenarios has been evaluated.

### Financial position

At 30 June 2024, the Group had net cash of £56.8 million compared to net cash of £135.6 million at 30 June 2023. The Group had a good working capital performance, with significant management focus on cash collection, average trade debtor days remained below pre-Pandemic levels at 36 days (2023: 33 days), with the increase versus prior year being caused by the relative resilience of our Enterprise clients, that typically have longer payment terms. The Group has a history of strong cash generation, tight cost control and flexible workforce management.

### Assessment of Going Concern

The Board approves the annual budget, which is based on submissions from the Group's divisions, following a thorough review process. The Board also reviews monthly management reports and quarterly forecasts. The output of the planning and budgeting processes has been used to perform base case projections for going concern purposes, under prudent assumptions:

- FY25 net fees and operating profit in-line with the approved budget
- Modest, single digit net fee growth in FY26
- Working capital movements expected to be broadly neutral
- That the Group's revolving credit facility is extended beyond the viability period
- Future dividends are in-line with current policy
- No changes to the Group structure

A sensitivity analysis of the Group's cash flow was performed to model the potential effects should the principal risks occur either individually or in unison. The sensitivity analysis modelled a range of severe, but plausible, downside scenarios against the base case projections, including a worsening of the macroeconomic environment and intensified competition, increasing inflation and the potential impact of climate change, with a range of recovery scenarios considered. The 'Stress Case' scenario assumes that the Group experiences a severe further deterioration in market conditions in H2 FY25, followed by a period of only gradual recovery.

## Notes to the Consolidated Financial Statements continued

### 2 Material accounting policies continued

#### b Going Concern continued

The Directors are satisfied that the Group would be able to respond to such scenarios with a range of measures including, but not limited to:

- Quickly decreasing headcount through natural attrition
- Reductions in discretionary spend
- Deferral of capital expenditure
- Further rationalisation or restructuring of business operations
- Reduction in cash distributions to shareholders

Given the nature of the Temporary and Contract recruitment business, significant working capital inflows typically arise in periods of severe downturn, thus protecting liquidity as was the case during the Global Financial Crisis of 2008/09 and which we again experienced during the Covid-19 pandemic.

Set against these downside trading scenarios, the Board also considered key mitigating factors including the geographic and sectoral diversity of the Group, its balanced business model across Temporary, Permanent and Contract recruitment services, and the focus on building a more resilient business, underpinned by the Group's clear strategy and focus on operational rigour. Furthermore, whilst our key markets have become increasingly challenging throughout FY24, skill and talent shortages are widespread across our major markets and are expected to remain so for the foreseeable future; the Directors are therefore satisfied that the demand for recruitment services will continue, supporting the resilience of our business model.

The Directors also considered a reverse stress test scenario to understand the reduction required to cause a breach of financial covenants or loss of solvency. The conclusion from the reverse stress test is that the likelihood of the scenarios occurring is remote and therefore does not represent a realistic threat to the going concern assumption of the Group.

The Group has an unsecured revolving credit facility of £210 million, that reduces in November 2024 to £170 million and expires in November 2025. The Directors anticipate no problems in renewing the facility, based on good early engagement with lenders, and fully intend to do so. This provides considerable headroom against current and future Group funding requirements. At 30 June 2024, £145 million of the facility was undrawn.

The Group has sufficient financial resources which, together with internally generated cash flows, will continue to provide sufficient sources of liquidity to fund its current operations, including its contractual and commercial commitments and any proposed dividends. The Group is therefore well-placed to manage its business risks. After making enquiries, the Directors have formed the judgment at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence throughout the Going Concern period, being at least 12 months from the date of approval of the Consolidated Financial Statements. For this reason, they continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

#### c Basis of consolidation

Subsidiaries are fully consolidated from the date on which power to control is transferred to the Group. They are deconsolidated from the date on which control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group whereby the identifiable assets, liabilities and contingent liabilities are measured at their fair values at the date of acquisition. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. The Consolidated Financial Statements consolidate the accounts of Hays plc and all of its subsidiaries. The results of subsidiaries acquired or disposed during the year are included from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

#### d Turnover

Turnover is measured at the fair value of the consideration received or receivable at the point in time and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Turnover arising from the placement of permanent candidates, including turnover arising from Recruitment Process Outsourcing (RPO) services, is recognised at the point in time the candidate commences full-time employment. Where a permanent candidate starts employment but does not work for the specified contractual period, an adjustment is made based on experience in respect of the expected required refund or credit note due to the client. The revenue recognised from a permanent placement is typically based on a percentage of the candidate's remuneration package.

Turnover arising from temporary placements, including turnover arising from Managed Service Programme (MSP) services, is recognised starting at the point in time that temporary workers are provided and continues through the duration of the placement. In nearly all contract arrangements the Group acts as principal. Where the Group is acting as a principal, turnover represents the amounts billable for the services of the temporary workers, including the remuneration costs of the temporary workers. The commission included within the revenue recognised arising from temporary placements is typically based on a percentage of the placement's hourly rate.

Where Hays acts as principal in arrangements that invoice on the costs incurred with other recruitment agencies as part of the MSP service provided, and in which Hays manages the recruitment supply chain, turnover represents amounts billable on from other recruitment agencies, including arrangements where no commission is directly receivable by the Group.

In some limited instances where the Group is acting as an agent in arrangements that invoice on behalf of other recruitment agencies as part of the MSP service provided, turnover represents commission receivable relating to the supply of temporary workers and does not include the remuneration costs of the other agency temporary workers.

### Revenue recognition

Revenue is recognised for permanent placements on the day a candidate starts work. Revenue is recognised for temporary placements at the point in time that temporary workers are provided and continues through the duration of the placement.

The factors considered by management on a contract by contract basis when concluding the Company is acting as principal (gross basis) rather than agent (net basis) are as follows:

- The client has a direct relationship with Hays;
- Hays has the primary responsibility for providing the services to the client, and engages and contracts directly with the temporary worker and other recruitment companies;
- Hays has latitude in establishing the rates directly or indirectly with all parties; and
- Hays bears the credit risk on the receivable due from the client.

### e Net fees

Net fees represent turnover less the remuneration costs of temporary workers for temporary assignments and remuneration of other recruitment agencies. For the placement of permanent candidates, net fees are equal to turnover.

### f Exceptional items

Exceptional items, as disclosed on the face of the Consolidated Income Statement, are items which due to their material non-recurring nature have been classified separately and are highlighted separately in the notes to the Consolidated Financial Statements. The Group considers this provides additional useful information and assists in understanding the financial performance achieved by the Group. Separate presentation of these items is intended to enhance understanding of the financial performance of the Group in the year and the extent to which results are influenced by material non-recurring items. These may include items such as a major restructure of the business operations or a material impairment of goodwill or other intangible assets. Items described as "before exceptional items" are alternative performance measures.

### g Foreign currencies

On consolidation, the tangible and intangible assets and liabilities of subsidiaries denominated in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Income and expense items are translated into sterling at average rates of exchange for the period. Any exchange differences which have arisen from an entity's investment in a foreign subsidiary, including long-term loans, are recognised as a separate component of equity and are included in the Group's cumulative translation reserve.

On disposal of a subsidiary, any amounts transferred to the cumulative translation reserve are included in the calculation of profit and loss on disposal. All other translation differences are dealt with in the Consolidated Income Statement.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

### h Retirement benefit costs

The expense of defined benefit pension schemes and other post-retirement employee benefits is determined using the projected-unit credit method and charged to the Consolidated Income Statement as an expense, based on actuarial assumptions reflecting market conditions at the beginning of the financial year. All remeasurement gains and losses are recognised immediately in reserves and reported in the Consolidated Statement of Comprehensive Income in the period in which they occur.

Past service costs, curtailments and settlements are recognised immediately in the Consolidated Income Statement.

The Group chose under IFRS 1 to recognise in retained earnings all cumulative remeasurement gains and losses as at 1 July 2004, the date of transition to IFRS. The Group has chosen to recognise all remeasurement gains and losses arising subsequent to 1 July 2004 in reserves and reported in the Consolidated Statement of Comprehensive Income.

The retirement benefit surplus recognised in the Consolidated Balance Sheet represents the fair value of scheme assets less the present value of the defined benefit obligation.

The Hays Pension Scheme Definitive Deed and Rules is considered to provide Hays with an unconditional right to a refund of surplus assets and therefore the recognition of a net defined benefit scheme asset is not restricted and agreements to make funding contributions do not give rise to any additional liabilities in respect of the Scheme.

Payments to defined contribution schemes are charged as an expense in the Consolidated Income Statement as they fall due.

### i Share-based payments

The fair value of all share-based remuneration that is assessed upon market-based performance criteria is determined at the date of grant and recognised as an expense in the Consolidated Income Statement on a straight-line basis over the vesting period, taking account of the estimated number of shares that will vest.

The fair value of all share-based remuneration that is assessed upon non-market-based performance criteria is determined at the date of the grant and recognised as an expense in the Consolidated Income Statement over the vesting period, based on the number of shares that are expected to vest. The number of shares that are expected to vest is adjusted accordingly, based on the satisfaction of the performance criteria at each year-end.

The fair values are determined by use of the relevant valuation models. All share-based remuneration is equity-settled.

### j Borrowing costs

Interest costs are recognised as an expense in the Consolidated Income Statement in the period in which they are incurred. Arrangement fees incurred in respect of borrowings are amortised over the term of the agreement.

### k Taxation

The tax expense is recognised in the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income or directly to retained earnings, according to the accounting treatment of the related transaction giving rise to the tax. The tax expense comprises both current and deferred tax.

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

Deferred tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements.

Deferred tax liabilities are generally recognised on all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the temporary differences can be utilised.



## Notes to the Consolidated Financial Statements continued

**2 Material accounting policies continued****k Taxation continued**

Deferred tax is not recognised for temporary differences arising from the initial recognition of goodwill or initial recognition of other assets or liabilities in a transaction (other than a business combination) that affects neither accounting profit nor taxable profit. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be recovered. Unrecognised deferred tax assets are also reassessed each balance sheet date and recognised where it has become probable that future taxable profits are available against which the asset can be recovered.

Deferred tax is provided using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

**Uncertain tax positions**

The Group operates in many countries and is therefore subject to tax laws in a number of different tax jurisdictions. The amount of tax payable or receivable on profits or losses for any period is subject to the agreement of the tax authority in each respective jurisdiction and the tax liability or asset position is open to review for several years after the relevant accounting period ends. In determining the provisions for income taxes, management is required to make judgments and estimates based on interpretations of tax statute and case law, which it does after taking account of professional advice and prior experience.

Uncertainties in respect of enquiries and additional tax assessments raised by tax authorities are measured in accordance with IFRIC 23 using the method that in management's view, best predicts the resolution of the uncertainty. The amounts ultimately payable or receivable may differ from the amounts of any provisions recognised in the Consolidated Financial Statements as a result of the estimates and assumptions used.

**l Goodwill**

Goodwill arising on consolidation represents the excess of purchase consideration less the fair value of the identifiable tangible and intangible assets and liabilities acquired.

Goodwill is recognised as an asset and reviewed for impairment at least annually. For the purpose of impairment testing, assets are grouped at the lowest level for which there are separately identifiable cash flows, known as cash-generating units (CGUs). Any impairment is recognised immediately in the Consolidated Income Statement and is not subsequently reversed.

On disposal of a business the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill arising on acquisitions before the date of transition to IFRS (1 July 2004) has been retained at the previous UK GAAP amounts, subject to being tested for impairment at that date. Goodwill arising on acquisitions prior to 1 July 1998 was written off direct to reserves under UK GAAP. This goodwill has not been reinstated and is not included in determining any subsequent profit or loss on disposal.

**m Intangible assets**

Intangible assets acquired as part of a business combination are stated in the Consolidated Balance Sheet at their fair value as at the date of acquisition less accumulated amortisation and any provision for impairment. The Directors review intangible assets for indications of impairment annually. There are no significant intangible assets other than computer software.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software controlled by the Group are recognised as intangible assets. Directly attributable costs that are capitalised as part of the software include employee costs and appropriate overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Internally generated intangible assets are stated in the Consolidated Balance Sheet at the directly attributable cost of creation of the asset, less accumulated amortisation. Intangible assets are amortised on a straight-line basis over their estimated useful lives up to a maximum of 10 years. Software incorporated into major Enterprise Resource Planning (ERP) implementations that support the recruitment process and financial reporting process is amortised over a life of up to seven years. Other software is amortised between three and five years.

**n Property, plant and equipment**

Property, plant and equipment is recorded at cost, net of depreciation and any provision for impairment. Depreciation is provided on a straight-line basis over the anticipated useful working lives of the assets, after they have been brought into use, at the following rates:

Leasehold properties	– The cost is written off over the unexpired term of the lease
Plant and machinery	– At rates varying between 5% and 33%
Fixtures and fittings	– At rates varying between 10% and 25%

**o Trade and other receivables**

Trade and other receivables are initially measured at the transaction price and then at amortised cost after appropriate allowances for estimated irrecoverable amounts have been recognised in the Consolidated Income Statement. An allowance for impairment is made to both trade receivables and accrued income based on historical credit loss experience adjusted for forward-looking factors specific to the debtors and economic environment, as evidence of a likely reduction in the recoverability of the cash flows.

**p Cash and cash equivalents**

Cash and cash equivalents comprise cash-in-hand and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

**q Trade payables**

Trade payables are measured initially at transaction price and then at amortised cost.

## r Bank borrowings

Interest-bearing bank loans and overdrafts are recorded initially at fair value and subsequently measured at amortised cost.

Finance charges, including premiums payable on settlement or redemption and direct-issue costs, are accounted for on an accrual basis in the Consolidated Income Statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

## s Derivative financial instruments

The Group may use certain derivative financial instruments to reduce its exposure to foreign exchange movements. The Group held six foreign exchange contracts at the end of the current year (2023: six) to facilitate cash management within the Group. The Group does not hold or use derivative financial instruments for speculative purposes.

The fair values of foreign exchange swaps are measured using inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. It is the Group's policy not to seek to designate these derivatives as hedges. All derivative financial instruments not in a hedge relationship are classified as derivatives at fair value in the Consolidated Income Statement.

## Fair value measurements

The information below sets out how the Group determines fair value of various financial assets and financial liabilities.

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## t Leases

Set out below are the accounting policies of the Group upon adoption of IFRS 16, which have been applied from the date of initial application:

### Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease and they are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

### Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its leases of property, motor vehicles and equipment where leases have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

## u Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and when the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the liability.

## v Government grants

A government grant is recognised only when there is reasonable assurance that the Group will comply with any conditions attached to the grant and that the grant will be received. The grant is recognised net against the related costs for the period in which they are intended to compensate.

## Notes to the Consolidated Financial Statements continued

### 3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the Consolidated Financial Statements requires judgment, estimations and assumptions to be made that affect the reported value of assets, liabilities, revenues and expenses.

Judgments, estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

In preparing the Consolidated Financial Statements, the Directors have considered the impact of Climate Change on the Group and have concluded that there is no material impact on financial reporting judgments and estimates (further information is provided in the Strategic Report on page 71). This is consistent with the assertion that risks associated with Climate Change are not expected to have a material impact on the longer term viability of the Group. Furthermore, there is not considered to be a material impact on the carrying value of goodwill, other intangibles or on property, plant and equipment.

Whilst the Directors have concluded that there is no material impact of Climate Change on the financial reporting judgments and estimates, they are mindful of the changing nature of the risks of Climate Change. The Directors will therefore continue to monitor these risks and their potential impact on the judgments and estimates used in the Consolidated Financial Statements.

In applying the Group's accounting policies, the Directors have identified that the following areas are the critical accounting judgments and key sources of estimation uncertainty:

#### Critical accounting judgments

##### Profit before exceptional items

Management consider that this alternative performance measure provides useful information for shareholders on the Group's underlying performance and is consistent with how the business performance is measured internally by the chief operating decision maker. Profit before exceptional items and earnings per share before exceptionals are not recognised measures under UK-adopted International Accounting Standards and may not be directly comparable with adjusted measures used by other companies.

The classification of items excluded from profit before exceptionals requires judgment, including considering the nature, circumstances, scale and impact of a transaction upon the Group's results. The details of items treated as exceptional items are disclosed in note 5 to the Consolidated Financial Statements.

#### Estimation uncertainty

##### Goodwill impairment

Goodwill is tested for impairment at least annually. In performing these tests assumptions are made in respect of future growth rates and the discount rate to be applied to the future cash flows of cash-generating units (CGUs). These assumptions are set out in note 13 to the Consolidated Financial Statements. There was an impairment of £15.3 million (2023: £nil) recognised in the current year as an exceptional item in respect of the 2014 Veredus acquisition in the US business. Management have determined that there has been no impairment to any of the other CGUs or to the remainder of the US CGU and does not consider there to exist a significant risk of material adjustments.

##### Pension accounting

Under IAS 19 'Employee Benefits', the Group has recognised a pension surplus of £19.4 million (2023: £25.7 million). A number of assumptions have been made in determining the pension position and these are described in note 23 to the Consolidated Financial Statements.

##### Provisions in respect of recoverability of trade receivables

As described in note 18 to the Consolidated Financial Statements, provisions for impairment of trade receivables and accrued income have been made. In reviewing the appropriateness of these provisions, consideration has been given to the ageing of the debt and the potential likelihood of default, taking into account current and future economic conditions.

## 4 Segmental information

### IFRS 8 'Operating Segments'

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segment and to assess their performance.

As a result, the Group segments the business into four regions, Germany, United Kingdom & Ireland, Australia & New Zealand and Rest of World. There is no material difference between the segmentation of the Group's turnover by geographic origin and destination.

The Group's operations comprise one class of business, that of qualified, professional and skilled recruitment.

### Turnover, net fees and operating profit

The Group's Executive Leadership Team, which is regarded as the chief operating decision maker, uses net fees by segment as its measure of revenue in internal reports, rather than turnover. This is because net fees exclude the remuneration of temporary workers, and payments to other recruitment agencies where the Group acts as principal, which are not considered relevant in allocating resources to segments. The Group's Executive Leadership Team considers net fees for the purpose of making decisions about allocating resources. The Group does not report items below operating profit by segment in its internal management reporting. The full detail of these items can be seen in the Group Consolidated Income Statement on page 155. The reconciliation of turnover to net fees can be found in note 6 to the Consolidated Financial Statements.

(In £s million)	Note	2024	2023
<b>Turnover</b>			
Germany		<b>1,900.3</b>	1,956.3
United Kingdom & Ireland		<b>1,594.4</b>	1,714.6
Australia & New Zealand		<b>1,286.9</b>	1,583.3
Rest of World		<b>2,167.5</b>	2,329.1
Group	6	<b>6,949.1</b>	7,583.3

(In £s million)	Note	2024	2023
<b>Net fees</b>			
Germany		<b>351.8</b>	382.0
United Kingdom & Ireland		<b>225.7</b>	266.1
Australia & New Zealand		<b>139.7</b>	188.4
Rest of World		<b>396.4</b>	458.1
Group	6	<b>1,113.6</b>	1,294.6

(In £s million)	2024 Before exceptional items	2024 Exceptional items	2024	2023
<b>Operating profit</b>				
Germany	68.0	(23.6)	<b>44.4</b>	100.2
United Kingdom & Ireland	6.4	(7.3)	<b>(0.9)</b>	28.7
Australia & New Zealand	11.5	(5.3)	<b>6.2</b>	32.1
Rest of World	19.2	(43.8)	<b>(24.6)</b>	36.0
Group	105.1	(80.0)	<b>25.1</b>	197.0

### Net trade receivables

For the purpose of monitoring performance and allocating resources from a balance sheet perspective, the Group's Executive Leadership Team monitors trade receivables net of provisions for impairment only on a segmental basis. These are monitored on a constant currency basis for comparability through the year. These are shown below and reconciled to the totals as shown in note 18 to the Consolidated Financial Statements.

(In £s million)	As reported internally	Exchange adjustments	2024	As reported internally	Exchange adjustments	2023
Germany	231.8	(3.0)	<b>228.8</b>	234.3	(0.3)	234.0
United Kingdom & Ireland	160.8	(0.1)	<b>160.7</b>	174.2	(0.1)	174.1
Australia & New Zealand	89.8	0.6	<b>90.4</b>	109.4	(8.3)	101.1
Rest of World	276.3	(1.9)	<b>274.4</b>	221.1	(3.3)	217.8
Group	758.7	(4.4)	<b>754.3</b>	739.0	(12.0)	727.0

### Major customers

In the current year and prior year there was no customer that exceeded 10% of the Group's turnover.

**Notes to the Consolidated Financial Statements continued****5 Exceptional items**

During the year, the Group incurred an exceptional charge of £80.0 million (2023: £nil). Of this, £42.2 million relates to a restructuring charge and the remaining £37.8 million is non-cash, comprising a £22.5 million charge relating to impairment of intangible assets and a £15.3 million charge relating to the partial impairment of goodwill in the US business.

Effective 31 August 2023, after 16 years of service, Alistair Cox stepped down as CEO and from the Board. The Executive Leadership Team was restructured, including the departure of several members of the team, as well as the appointment of a new Chief People Officer and a new Chief Technology Officer. The Group incurred a combined cost, including legal and other third-party costs, of £5.6 million in relation to the departure of the CEO and members of the Executive Leadership Team. These costs are considered exceptional given their size, non-recurring nature and because these changes led to the wider restructuring events that occurred through the remainder of the year.

Following the appointment of the new CEO, Dirk Hahn, and in response to increasingly challenging market conditions and a clear slowdown in most markets, we restructured the business operations of many countries across the Group, to better align business operations to market opportunities and reduce operating costs. The restructuring exercise led to the redundancy of a number of employees, including senior and operational management and back-office positions and the closure of 17 offices. This resulted in the Group incurring a restructuring cost of £42.2 million, including the £5.6 million as noted above, a detailed breakdown of which is provided in note 6 to the Consolidated Financial Statements. The restructuring costs are expected to generate significant cost savings and are considered exceptional given their size and impact on business operations.

The cash impact of the restructuring charge in the year was £22.9 million, with a further £17.8 million cash outflow expected in the year to 30 June 2025.

Following the appointment of the new Chief Technology Officer, the Group's Technology Senior Leadership Team was restructured and the Directors initiated a Group-wide project to transform its IT infrastructure to better support the operations of the business. This led the Directors to enter into a contract to outsource the Group's back-office IT infrastructure and the third-party cost (included in the combined restructuring cost above) associated with this is considered as exceptional due to the size of the contract and the anticipated long-term cost savings to the Group. As part of the transformation, the Directors cancelled certain in-flight projects and concluded that the related intangible assets would not be used in the Group's operations. The Directors also determined that certain intangible assets currently in use would no longer be used in the Group's operations as originally anticipated, and therefore concluded that a material part of their carrying value was impaired. This cumulatively resulted in an impairment charge of £22.5 million, which is a material non-cash item and based on its size and nature is considered to be exceptional.

As described in note 13 to the Consolidated Financial Statements, a £15.3 million charge resulted from the partial impairment of the carrying value of goodwill relating to the 2014 Veredus acquisition in the USA, which was partially impaired in the year ended 30 June 2020. The goodwill impairment charge is a material non-cash item that based on its size and nature is considered to be exceptional. The remaining Veredus goodwill balance at 30 June 2024 is £7.2 million.

In total the exceptional charge generated a tax credit of £11.1 million (2023: £nil).

The last time that the Group recognised an exceptional restructuring charge was in the year ended 30 June 2020, in the immediate aftermath of the Covid-19 pandemic. The last time that the Group incurred an exceptional impairment charge on other intangible assets was in the year ended 30 June 2008.

**6 Operating profit**

The following costs are deducted from turnover to determine net fees:

(In £s million)	2024	2023
Turnover	<b>6,949.1</b>	7,583.3
Remuneration of temporary workers	<b>(4,995.4)</b>	(5,212.9)
Remuneration of other recruitment agencies	<b>(840.1)</b>	(1,075.8)
Net fees	<b>1,113.6</b>	1,294.6

Operating profit is stated after charging the following items to net fees of £1,113.6 million (2023: £1,294.6 million):

(In £s million)	2024 Before exceptional items	2024 Exceptional items	2024	2023
Staff costs (note 8)	789.4	30.2	<b>819.6</b>	868.8
Amortisation of other intangible assets (note 14)	9.2	–	<b>9.2</b>	10.0
Depreciation of property, plant and equipment (note 15)	11.1	–	<b>11.1</b>	10.9
Depreciation of right-of-use assets (note 16)	46.0	–	<b>46.0</b>	46.0
Loss on disposal of property, plant and equipment (note 15)	–	0.4	<b>0.4</b>	–
Impairment loss on goodwill (note 13)	–	15.3	<b>15.3</b>	–
Impairment of right-of-use assets (note 16)	–	4.9	<b>4.9</b>	–
Impairment of intangible assets (note 14)	–	22.5	<b>22.5</b>	–
Short-term leases and leases of low-value assets	3.5	–	<b>3.5</b>	3.8
Impairment loss on trade receivables (note 18)	1.4	–	<b>1.4</b>	3.0
Auditor's remuneration (note 7):				
• for statutory audit services	2.4	–	<b>2.4</b>	2.1
• for other services	0.3	–	<b>0.3</b>	0.2
Other external charges	145.2	6.7	<b>151.9</b>	152.8
Administrative expenses	1,008.5	80.0	<b>1,088.5</b>	1,097.6

Within exceptional items in the table above, staff costs (£30.2 million), loss on disposal of property, plant and equipment (£0.4 million), impairment of right-of-use assets (£4.9 million) and other external charges (£6.7 million) total £42.2 million and represent the restructuring charge as disclosed in note 5 to the Consolidated Financial Statements.

There were no exceptional items in the prior year.

## 7 Auditor's remuneration

(In £s million)	2024	2023
Fees payable to the Company's Auditors for the audit of the Company's annual Financial Statements	<b>0.6</b>	0.6
Fees payable to the Company's Auditors and their associates for other services to the Group:		
The audit of the Company's subsidiaries pursuant to legislation	<b>1.8</b>	1.5
Total audit fees	<b>2.4</b>	2.1
Audit-related assurance services	<b>0.3</b>	0.2
Total non-audit fees	<b>0.3</b>	0.2

## 8 Staff costs

The aggregate staff remuneration (including Executive Directors) was as follows:

(In £s million)	2024 Before exceptional items	2024 Exceptional items	2024	2023
Wages and salaries	666.5	25.2	<b>691.7</b>	737.6
Social security costs	93.1	3.2	<b>96.3</b>	95.9
Other pension costs	21.6	0.3	<b>21.9</b>	23.3
Share-based payments	8.2	1.5	<b>9.7</b>	12.0
Staff costs	789.4	30.2	<b>819.6</b>	868.8

Average number of persons employed during the year (including Executive Directors) was as follows:

(Number)	2024	2023
Germany	<b>2,982</b>	2,994
United Kingdom & Ireland	<b>3,404</b>	3,767
Australia & New Zealand	<b>1,329</b>	1,634
Rest of World	<b>4,419</b>	4,961
Group	<b>12,134</b>	13,356

Closing number of persons employed at the end of the year (including Executive Directors) was as follows:

(Number)	2024	2023
Germany	<b>2,808</b>	3,023
United Kingdom & Ireland	<b>3,204</b>	3,656
Australia & New Zealand	<b>1,143</b>	1,581
Rest of World	<b>3,965</b>	4,789
Group	<b>11,120</b>	13,049



## Notes to the Consolidated Financial Statements continued

**9 Net finance charge**

(In £s million)	2024	2023
Interest received on bank deposits	3.2	2.0
Interest payable on bank loans and overdrafts	(7.2)	(3.7)
Interest on lease liabilities (note 16)	(5.0)	(4.2)
Pension Protection Fund levy	(0.1)	(0.1)
Net interest (expense)/credit on defined benefit pension schemes (note 23)	(1.3)	1.1
Net finance charge	(10.4)	(4.9)

**10 Tax**

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

(In £s million)	2024	2023
<b>Current tax</b>		
Current tax expense in respect of the current year	(28.2)	(57.2)
Adjustments to current tax in relation to prior years	4.9	6.8
	(23.3)	(50.4)
<b>Deferred tax</b>		
Deferred tax credit/(charge) in respect of the current year	2.0	(5.4)
Adjustments to deferred tax in relation to prior years	1.6	2.0
	3.6	(3.4)
Total income tax expense recognised in the current year	(19.6)	(53.8)

Current tax expense for the year is comprised of the following:

(In £s million)	2024	2023
United Kingdom	(3.6)	(5.7)
Overseas	(24.6)	(51.5)
Group	(28.2)	(57.2)

The income tax expense for the year can be reconciled to the accounting profit as follows:

(In £s million)	2024 Before exceptional items	2024 Exceptional items	2024	Revised* 2023
Profit before tax	94.7	(80.0)	14.7	192.1
Income tax expense calculated at 25.0% (2023: 20.5%)	(23.7)	20.0	(3.7)	(39.4)
Items not taxable or non-deductible for tax	(6.1)	(0.7)	(6.8)	(3.7)
Changes in recognition of deferred tax in relation to losses	(3.4)	(2.2)	(5.6)	(5.1)
Changes in recognition of deferred tax in relation to temporary differences	(2.6)	(7.0)	(9.6)	(0.8)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(0.8)	1.0	0.2	(13.3)
Effect of share-based payment charges and share options	(0.6)	–	(0.6)	(0.3)
Income tax recognised in the current year	(37.2)	11.1	(26.1)	(62.6)
Adjustments recognised in the current year in relation to the current tax of prior years	4.9	–	4.9	6.8
Adjustments to deferred tax in relation to prior years	1.6	–	1.6	2.0
Income tax expense recognised in the Consolidated Income Statement	(30.7)	11.1	(19.6)	(53.8)
Effective tax rate for the year	32.4%	13.9%	133.3%	28.0%

\* The Group has simplified the Income tax reconciliation by amalgamating certain categories of the reconciliation for this financial year. As a result the prior year comparators have been updated to align with the simplified disclosure. This is purely a revision in presentation.

The tax rate used for the reconciliation above for the year ended 30 June 2024 is the corporation tax rate of 25.0% (2023: 20.5%), payable by corporate entities in the United Kingdom on taxable profits under tax law in that jurisdiction. The Group operates in jurisdictions which have tax rates higher than the UK statutory tax rate, the most significant being Germany and Australia with statutory rates of 31.5% and 30% respectively, the impact of which is shown in the above reconciliation under effect of different tax rates of subsidiaries operating in other jurisdictions.

In the Spring Budget 2021, the UK government announced an increase in the UK corporation tax rate from 19% to 25% with effect from 1 April 2023. This was substantially enacted in May 2021.

Furthermore, on 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15% for each jurisdiction in which the Group operates. The legislation was subsequently enacted on 11 July 2023 and implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. The Group has applied the exemption under the IAS 12 amendment to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes.

The Pillar Two legislation implementing the global minimum effective tax regime is effective for the Group's financial year beginning 1 July 2024. The Group is in scope of the legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes. The assessment has been based on recent Group Consolidated financial statements and Country by Country Reporting, covering periods ending 30 June 2021, 30 June 2022 and 30 June 2023. Based on the assessment, the Pillar Two effective tax rates in most jurisdictions in which the Group operates are above 15% or the transitional safe harbour relief is expected to apply. However, there are a limited number of jurisdictions where the transitional safe harbour relief is not expected to apply, and the Pillar Two effective tax rate is less than 15%. However, the estimated tax impact on the Group's tax charge is not material had the rules applied in the periods assessed.

### Income tax recognised in other comprehensive income

(In £s million)	2024	2023
<b>Current tax</b>		
Contributions in respect of defined benefit pension scheme	2.4	3.9
Tax on foreign exchange movements	0.1	1.1
<b>Deferred tax</b>		
Actuarial loss in respect of defined benefit pension scheme	5.8	23.7
Contributions in respect of defined benefit pension scheme	(4.2)	(4.7)
Effect of tax losses recognised for deferred tax	1.5	(4.5)
<b>Total income tax credit recognised in other comprehensive income</b>	<b>5.6</b>	19.5

## 11 Dividends

The following dividends were paid by the Group and have been recognised as distributions to equity shareholders in the year:

	2024 (pence per share)	2024 (£s million)	2023 (pence per share)	2023 (£s million)
Prior year final dividend	2.05	32.6	1.90	30.8
Prior year special dividend	2.24	35.7	7.34	119.1
Current year interim dividend	0.95	15.0	0.95	15.2
<b>Total</b>	<b>5.24</b>	<b>83.3</b>	10.19	165.1

The following dividends have been proposed by the Group in respect of the accounting year presented:

	2024 (pence per share)	2024 (£s million)	2023 (pence per share)	2023 (£s million)
Interim dividend (paid)	0.95	15.0	0.95	15.2
Final dividend (proposed)	2.05	32.5	2.05	32.6
Special dividend (proposed)	–	–	2.24	35.6
<b>Total</b>	<b>3.00</b>	<b>47.5</b>	5.24	83.4

The final dividend for 2024 of 2.05 pence per share (£32.5 million) will be proposed at the Annual General Meeting on 20 November 2024 and has not been included as a liability. If approved, the final dividend will be paid on 25 November 2024 to shareholders on the register at the close of business on 18 October 2024.

## 12 Earnings per share

For the year ended 30 June 2024	Earnings (£s million)	Weighted average number of shares (million)	Per share amount (pence)
<b>Before exceptional items:</b>			
Basic earnings per share	64.0	1,586.6	4.03
Dilution effect of share options	–	13.7	(0.03)
<b>Diluted earnings per share</b>	<b>64.0</b>	<b>1,600.3</b>	<b>4.00</b>
<b>After exceptional items:</b>			
Basic earnings per share	(4.9)	1,586.6	(0.31)
Dilution effect of share options	–	13.7	–
<b>Diluted earnings per share</b>	<b>(4.9)</b>	<b>1,600.3</b>	<b>(0.31)</b>
For the year ended 30 June 2023			
Basic earnings per share	138.3	1,610.0	8.59
Dilution effect of share options	–	13.9	(0.07)
<b>Diluted earnings per share</b>	<b>138.3</b>	<b>1,623.9</b>	<b>8.52</b>

The weighted average number of shares in issue for the current and prior years exclude shares held in treasury.

## Notes to the Consolidated Financial Statements continued

**12 Earnings per share continued****Reconciliation of earnings**

(In £s million)	2024	2023
Earnings before exceptional items	<b>64.0</b>	138.3
Exceptional items (note 5)	<b>(80.0)</b>	–
Tax credit on exceptional items (note 10)	<b>11.1</b>	–
Total earnings	<b>(4.9)</b>	138.3

**13 Goodwill**

(In £s million)	2024	2023
At 1 July	<b>200.3</b>	202.3
Exchange adjustments	<b>(2.1)</b>	(3.0)
Additions during the year	–	1.0
Impairment loss for the year	<b>(15.3)</b>	–
At 30 June	<b>182.9</b>	200.3

Goodwill arising on business combinations is reviewed and tested on an annual basis or more frequently if there is an indication that goodwill might be impaired. Goodwill has been tested for impairment by comparing the carrying amount of each cash-generating unit (CGU), including goodwill, with the recoverable amount. The recoverable amounts of the CGUs are determined from value-in-use calculations.

The additions during the year ended 30 June 2023 of £1.0 million relate to the acquisition of Vercida Consulting, a DE&I advisory business based in the UK, with further amounts payable based on achieving our ambitious growth plans. These amounts are charged to the Consolidated Income Statement over the earnout period and are not expected to be material.

The key assumptions for the value-in-use calculations are as follows:

**Assumption    How determined**

**Operating profit**    The operating profit is based on the latest one-year forecasts for the CGUs approved by the Group's Executive Leadership Team, and medium-term forecasts over a two to five year period which are compiled using expectations of fee growth, consultant productivity and operating costs, from past experience. The Group prepares cash flow forecasts derived from the most recent one-year financial forecasts approved by the Group's Executive Leadership Team, and extrapolates cash flows in perpetuity based on the long-term growth rates and expected cash conversion rates.

Cash flow projections used to measure value-in-use do not include any cash inflows or outflows expected from any future restructurings or asset enhancements.

**Discount rates**    The pre-tax rates used to discount the forecast cash flows range between 12.9% and 15.6% (2023: 12.2% and 14.2%) reflecting current market assessments of the time value of money and the country risks specific to the relevant CGUs.

The discount rate applied to the cash flows of each of the Group's operations is based on the weighted average cost of capital (WACC), taking into account adjustments to the risk-free rate for 20-year bonds issued by the government in the respective market. Where government bond rates contain a material component of credit risk, high-quality local corporate bond rates may be used.

These rates are adjusted for a risk premium to reflect the increased risk of investing in equities and, where appropriate, the systematic risk of the specific Group operating company. In making this adjustment, inputs required are the equity market risk premium (that is the increased return required over and above a risk-free rate by an investor who is investing in the market as a whole) and the risk adjustment beta, applied to reflect the risk of the specific Group operating company relative to the market as a whole.

**Growth rates**    The medium-term growth rates are based on management's current forecasts for a period of two to five years. These are consistent with a minimum average estimated fee growth rate for Group of 5.0% (2023: 4.0%). The growth estimates reflect a combination of both past experience and the macroeconomic environment, including GDP expectations driving fee growth.

The long-term growth rates are based on management forecasts, which are consistent with external sources of an average estimated growth rate of 2.0% (2023: 2.0%), reflecting a combination of GDP expectations and long-term wage inflation driving fee growth.

GDP growth is a key driver of our business, and is therefore a key consideration in developing long-term forecasts. Wage inflation is also an important driver of net fees, as net fees are derived directly from the salary level of candidates placed into employment. Based on past experience a combination of these two factors is considered to be an appropriate basis for assessing long-term growth rates.

Impairment reviews were performed at the year-end by comparing the carrying value of goodwill with the recoverable amounts of the CGUs to which goodwill has been allocated. Management has determined that there has been no impairment to any of the CGUs as at 30 June 2024, subsequent to the impairment recorded in respect of the US CGU during half year ended 31 December 2023. Management performed a sensitivity analysis in assessing recoverable amounts of goodwill as at 30 June 2024. This has been based on changes in key assumptions considered to be reasonably possible by management. This included a change in the pre-tax discount rate of up to 3% and changes in the long-term growth rate of between 0% and 2% in absolute terms, both of which gave a clear headroom and there was no impairment. Management has also considered the potential impact of climate change on future growth rates, and where appropriate, has incorporated the risks and opportunities as disclosed in the TCFD Report on pages 71 to 78, into cash flow forecasts.

As mentioned above, the Group recognised an impairment charge of £15.3m (recorded under exceptional items) during the half year ended 31 December 2023 in respect of the US CGU, included within the Rest of World segment. Management revised its cash flow forecast for the US CGU as at 31 December 2023, which resulted in a reduction of its recoverable amount below the carrying amount. Before impairment testing, the carrying value in respect of the goodwill relating to the 2014 Veredus acquisition in the USA was £22.5 million. The recoverable amount was considered to be in line with its value-in-use which is considered higher than its fair value less cost of disposal. The key assumptions that were applied to the US CGU as at 31 December 2023 were as follows: A pre-tax WACC of 13.1%, an average medium-term growth rate of 25.0% and a long-term growth rate of 2.0%. The sensitivity of an adverse 0.5% change in absolute terms to each of these assumptions in isolation would result in a reduction in its value-in-use by £0.7 million, £0.1 million and £0.2 million respectively. The sensitivity of a favourable 0.5% change in absolute terms to each of these assumptions in isolation would result in an increase in its value-in-use by £0.7 million, £0.1 million and £0.2 million respectively.

Goodwill is allocated to CGUs for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments. The carrying amount of goodwill has been allocated as follows:

(In £s million)	2024	2023
Germany	49.1	49.8
United Kingdom & Ireland	94.1	94.1
Rest of World	39.7	56.4
<b>Group</b>	<b>182.9</b>	<b>200.3</b>

Information about the performance of the individual CGUs is provided in the Divisional Operating Reviews, within the Strategic Report on pages 38 to 42.

## 14 Other intangible assets

(In £s million)	2024	2023
<b>Cost</b>		
At 1 July	194.0	179.2
Exchange adjustments	(0.9)	(1.5)
Additions	15.8	16.8
Disposals	(13.7)	(0.5)
At 30 June	195.2	194.0
<b>Accumulated amortisation</b>		
At 1 July	140.3	132.1
Exchange adjustments	(0.8)	(1.3)
Charge for the year	9.2	10.0
Impairment charge (note 5)	22.5	–
Disposals	(13.7)	(0.5)
At 30 June	157.5	140.3
<b>Net book value</b>		
At 30 June	37.7	53.7
At 1 July	53.7	47.1

All other intangible assets relate mainly to computer software, and of the additions in the current year, £6.7 million relate to internally generated assets (2023: £7.3 million). The impairment charge of £22.5 million is split by the following segments: Germany £10.3 million; UK&I £2.8 million; ANZ £1.7 million; and RoW £7.7 million.

The estimated average useful life of the computer software related intangible assets is seven years (2023: seven years). Software incorporated into major Enterprise Resource Planning (ERP) implementations is amortised on a straight-line basis over a life of up to seven years. Other software is amortised on a straight-line basis between three and five years.

There were no capital commitments at 30 June 2024 (2023: £1.7 million).

## Notes to the Consolidated Financial Statements continued

**15 Property, plant and equipment**

(In £s million)	Leasehold improvements	Plant and machinery	Fixtures and fittings	Total
<b>Cost</b>				
At 1 July 2023	28.0	57.3	34.0	119.3
Exchange adjustments	(0.4)	(0.4)	(0.3)	(1.1)
Additions	2.8	2.4	2.4	7.6
Disposals	(1.9)	(5.9)	(4.4)	(12.2)
<b>At 30 June 2024</b>	<b>28.5</b>	<b>53.4</b>	<b>31.7</b>	<b>113.6</b>

**Accumulated depreciation**

At 1 July 2023	20.5	43.8	25.3	89.6
Exchange adjustments	(0.1)	(0.2)	(0.2)	(0.5)
Charge for the year	2.4	6.3	2.4	11.1
Disposals	(1.5)	(5.9)	(4.4)	(11.8)
<b>At 30 June 2024</b>	<b>21.3</b>	<b>44.0</b>	<b>23.1</b>	<b>88.4</b>

**Net book value**

<b>At 30 June 2024</b>	<b>7.2</b>	<b>9.4</b>	<b>8.6</b>	<b>25.2</b>
At 1 July 2023	7.5	13.5	8.7	29.7

(In £s million)	Leasehold improvements	Plant and machinery	Fixtures and fittings	Total
<b>Cost</b>				
At 1 July 2022	28.1	54.8	31.4	114.3
Exchange adjustments	(1.5)	(1.2)	(0.3)	(3.0)
Additions	2.9	5.4	4.0	12.3
Disposals	(1.5)	(1.7)	(1.1)	(4.3)
At 30 June 2023	28.0	57.3	34.0	119.3

**Accumulated depreciation**

At 1 July 2022	20.7	39.7	24.6	85.0
Exchange adjustments	(1.0)	(0.9)	(0.2)	(2.1)
Charge for the year	2.3	6.7	1.9	10.9
Disposals	(1.5)	(1.7)	(1.0)	(4.2)
At 30 June 2023	20.5	43.8	25.3	89.6

**Net book value**

At 30 June 2023	7.5	13.5	8.7	29.7
At 1 July 2022	7.4	15.1	6.8	29.3

## 16 Lease accounting

(In £s million)	Right-of-use assets			Total lease assets	Lease liabilities
	Property	Motor vehicles	Other assets		
At 1 July 2023	164.5	11.5	0.1	176.1	(189.8)
Exchange adjustments	(1.5)	(0.2)	–	(1.7)	3.2
Lease additions	29.8	10.6	–	40.4	(40.4)
Lease disposals	(1.5)	(0.2)	–	(1.7)	1.7
Impairment of right-of-use assets	(4.9)	–	–	(4.9)	–
Depreciation of right-of-use assets	(38.6)	(7.4)	–	(46.0)	–
Lease liability principal repayments	–	–	–	–	51.0
Interest on lease liabilities	–	–	–	–	(5.0)
<b>At 30 June 2024</b>	<b>147.8</b>	<b>14.3</b>	<b>0.1</b>	<b>162.2</b>	<b>(179.3)</b>

(In £s million)	Right-of-use assets			Total lease assets	Lease liabilities
	Property	Motor vehicles	Other assets		
At 1 July 2022	162.4	9.2	0.1	171.7	(185.1)
Exchange adjustments	(2.2)	–	–	(2.2)	2.2
Lease additions	53.6	8.5	0.1	62.2	(62.2)
Lease disposals	(9.5)	(0.1)	–	(9.6)	9.6
Depreciation of right-of-use assets	(39.8)	(6.1)	(0.1)	(46.0)	–
Lease liability principal repayments	–	–	–	–	49.9
Interest on lease liabilities	–	–	–	–	(4.2)
At 30 June 2023	164.5	11.5	0.1	176.1	(189.8)

### Maturity analysis

(In £s million)	2024	2023
Less than one year	(44.2)	(41.3)
One to two years	(34.0)	(36.5)
Two to three years	(25.8)	(26.9)
Three to four years	(19.3)	(19.6)
Four to five years	(14.9)	(15.4)
More than five years	(41.1)	(50.1)
<b>Total lease liabilities</b>	<b>(179.3)</b>	<b>(189.8)</b>

(In £s million)	2024	2023
Current	(44.2)	(41.3)
Non-current	(135.1)	(148.5)
<b>Total lease liabilities</b>	<b>(179.3)</b>	<b>(189.8)</b>



## Notes to the Consolidated Financial Statements continued

**17 Deferred tax**

Deferred tax assets and liabilities in relation to:

(In £s million)	1 July 2023	(Charge)/credit to Consolidated Income Statement	(Charge)/credit to other comprehensive income	Exchange adjustments	30 June 2024
Accelerated tax depreciation	(4.8)	10.3	–	0.1	<b>5.6</b>
Retirement benefit surplus	(6.5)	–	1.6	–	<b>(4.9)</b>
Share-based payments	2.3	(0.3)	–	–	<b>2.0</b>
Provisions	7.4	(0.3)	–	(0.1)	<b>7.0</b>
Tax losses	9.4	(2.4)	1.5	–	<b>8.5</b>
Other short-term timing differences	10.8	(3.7)	–	0.1	<b>7.2</b>
Net deferred tax	18.6	3.6	3.1	0.1	<b>25.4</b>

(In £s million)	1 July 2022	(Charge)/credit to Consolidated Income Statement	(Charge)/credit to other comprehensive income	Exchange adjustments	30 June 2023
Accelerated tax depreciation	(3.8)	(1.0)	–	–	(4.8)
Retirement benefit surplus	(25.5)	–	19.0	–	(6.5)
Share-based payments	1.7	0.6	–	–	2.3
Provisions	8.5	(0.9)	–	(0.2)	7.4
Tax losses	17.2	(3.1)	(4.5)	(0.2)	9.4
Other short-term timing differences	10.4	1.0	–	(0.6)	10.8
Net deferred tax	8.5	(3.4)	14.5	(1.0)	18.6

Deferred tax assets and liabilities are offset where the Group has a legal enforceable right to do so. The analysis of the deferred tax balances (after offset) for financial reporting purposes are as follows:

(In £s million)	2024	2023
Deferred tax assets	<b>25.4</b>	21.4
Deferred tax liabilities	<b>–</b>	(2.8)
Net deferred tax	<b>25.4</b>	18.6

The deferred tax asset of £25.4 million (2023: £21.4 million) as at 30 June 2024 primarily arises from our Australian and UK businesses.

The overall deferred tax asset has increased due to a number of factors including the impairment of intangible assets in Germany, together with a reduction in the deferred tax liability in the UK, driven by a reduction in the retirement benefit surplus. The reduction in the pension deferred tax liability has been partially offset by the derecognition of deferred tax asset in relation to previously unrecognised tax losses, on the basis that the asset can be recovered against the deferred tax liability relating to the retirement benefit surplus when the latter unwinds in the future. In addition, a deferred tax asset of £8.4m has been recognised in the UK, on the basis of forecast future taxable profits.

Deferred tax assets can, inter alia, be recognised where the potential asset can offset the future unwind of a deferred tax liability. Therefore, when considering the recognition of certain deferred tax assets, management must consider the level of the deferred tax liability recognised in relation to the retirement benefit surplus and the manner in which that deferred tax liability will unwind.

Management considers a buy-out of the defined benefit pension scheme to be the most probable manner of recovery of the retirement benefit surplus, based on the progress of the Group's stated long-term objective of achieving a buyout of the scheme within the next four years. On this basis, the retirement benefit surplus would unwind as a one-off event, rather than over time, and hence the associated deferred tax liability would unwind simultaneously at that point in time.

As such, the extent to which a deferred tax asset can be recognised against this deferred tax liability is capped to the amount of that potential asset that can be utilised in the one period in which the pension related deferred tax liability unwinds.

If management were to judge that the retirement benefit surplus would unwind over a number of years, rather than as a one-off event, the deferred tax asset recognised at 30 June 2024 would be £1.6 million higher.

The basis for measurement will be assessed at each reporting period based on the latest position in relation to the defined benefit pension scheme, as a change in the basis of recovery would result in a different measurement basis and impact the quantum of the deferred tax balance recognised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the periods in which they reverse – being the rates enacted or substantively enacted for those relevant periods applicable for each jurisdiction. Following the legislated increase in the main UK corporation tax rate from 19% to 25% which took effect from 1 April 2023, the UK deferred tax balances were remeasured as at 30 June 2021 and continues to be measured at the tax rates that would apply in the period they are expected to reverse.

### Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

(In £s million)	Gross 2024	Tax 2024	Gross 2023	Tax 2023
Tax losses (revenue in nature)	175.3	43.9	138.1	34.6
Tax losses (capital in nature)	22.1	5.5	22.1	5.5
Total tax losses	197.4	49.4	160.2	40.1

  

(In £s million)	Gross 2024	Tax 2024	Gross 2023	Tax 2023
Unrecognised deductible temporary differences	78.3	18.7	49.6	11.9

In tax losses (revenue in nature) £9.4 million is due to expire within thirteen years and £6.1 million within five years. The remaining tax losses have no fixed expiry date. The capital losses can also be carried forward indefinitely but can only be offset against capital gains.

### Unrecognised taxable temporary differences associated with investments and interests

Taxable temporary differences in relation to investments in subsidiaries, for which deferred tax liabilities have not been recognised are attributable to the following:

(In £s million)	2024	2023
Foreign subsidiaries	29.5	34.9
Tax thereon	2.4	2.2

## 18 Trade and other receivables

(In £s million)	2024	2023
Net trade receivables	754.3	727.0
Net accrued income	394.5	476.8
Prepayments and other receivables	45.7	40.8
Trade and other receivables	1,194.5	1,244.6

Due to their short-term nature, the Directors consider that the carrying amount of trade receivables approximates to their fair value. The average credit period taken is 36 days (2023: 33 days).

Accrued income primarily arises where temporary workers have provided their services but the amount incurred and margin earned thereon has yet to be invoiced on to the client due to timing.

The Group's exposure to foreign currency translation is primarily in respect of the euro and the Australian dollar. The sensitivity of a 1 cent change in the year-end closing exchange rates in respect of the euro and Australian dollar would result in a £2.8 million and £0.5 million movement in trade receivables respectively.

### Credit risk

The Group's credit risk is primarily attributable to its trade receivables and the risk of customer default, although the Group is also subject to credit risk on its accrued income. The amounts presented in the Consolidated Balance Sheet for both trade receivables and accrued income are net of allowances for doubtful receivables. An impairment analysis is performed centrally using a provision matrix to measure the expected credit losses, in which the allowance for impairment increases as balances age. Expected credit losses are measured using historical losses for the past five years, adjusted for forward-looking factors impacting the economic environment, such as the GDP growth outlook (based on the IMF's World Economic Outlook data), and commercial factors deemed to have a significant impact on expected credit loss rates. The provision matrix used to measure the expected credit losses is:

#### As at 30 June 2024

(In £s million)	Gross	Expected Credit Loss	Provision	Net
Not yet due	684.6	0.3%	(1.7)	682.9
Up to one month past due	60.5	8.3%	(5.0)	55.5
One to three months past due	17.8	20.2%	(3.6)	14.2
Greater than three months past due	9.8	83.7%	(8.2)	1.6
<b>Trade receivables</b>	<b>772.7</b>	<b>2.4%</b>	<b>(18.5)</b>	<b>754.2</b>
<b>Accrued income</b>	<b>396.2</b>	<b>0.4%</b>	<b>(1.7)</b>	<b>394.5</b>

## Notes to the Consolidated Financial Statements continued

**18 Trade and other receivables continued**

As at 30 June 2023

(In £s million)	Gross	Expected Credit Loss	Provision	Net
Not yet due	633.2	0.3%	(1.7)	631.5
Up to one month past due	81.9	5.7%	(4.7)	77.2
One to three months past due	20.1	17.4%	(3.5)	16.6
Greater than three months past due	11.0	84.6%	(9.3)	1.7
Trade receivables	746.2	2.6%	(19.2)	727.0
Accrued income	478.5	0.4%	(1.7)	476.8

The Group reduces risk through its credit control process and by contractual arrangements with other recruitment agencies in situations where the Group invoices on their behalf. The Group's exposure is spread over a large number of customers.

The movement on the provision for impairment of trade receivables is as follows:

(In £s million)	2024	2023
At 1 July	19.2	17.6
Exchange movement	(0.3)	(0.2)
Charge for the year	1.4	3.0
Uncollectable amounts written off	(1.8)	(1.2)
At 30 June	18.5	19.2

**Sensitivity**

The key sensitivity for credit risk is the movement in recoverability of trade receivables, measured by Days Sales Outstanding ('DSO'). Sensitivity analysis is performed for both an increase and decrease of one DSO, based on actual DSO of 36 days at 30 June 2024 (30 June 2023: 33 days). The sensitivity analysis shows that an increase of one DSO will result in an additional £0.8 million impairment allowance, whereas a decrease of one DSO will result in a £1.0 million decrease in impairment allowance. The impact of forward-looking factors on the required provision is immaterial at 30 June 2024, including the impact on the required provision on accrued income. The results of the sensitivity analysis of DSO is shown below:

**One additional DSO**

(In £s million)	Adjusted Gross	Expected Credit Loss	Required Provision
Not yet due	717.2	0.3%	(1.8)
Up to one month past due	63.4	8.3%	(5.2)
One to three months past due	18.5	20.2%	(3.7)
Greater than three months past due	10.3	83.7%	(8.6)
<b>Trade receivables</b>	809.4	2.4%	(19.3)

**One fewer DSO**

(In £s million)	Adjusted Gross	Expected Credit Loss	Required Provision
Not yet due	649.8	0.3%	(1.6)
Up to one month past due	57.4	8.3%	(4.7)
One to three months past due	16.8	20.2%	(3.4)
Greater than three months past due	9.3	83.7%	(7.8)
<b>Trade receivables</b>	733.3	2.4%	(17.5)

The risk disclosures contained on page 79 to 85 within the Strategic Report form part of these Consolidated Financial Statements.

## 19 Cash and cash equivalents

(In £s million)

	2024	2023
Cash and cash equivalents	<b>121.8</b>	145.6

The Group had net cash of £56.8 million (2023: £135.6 million), comprising of cash and cash equivalents of £121.8 million (2023: £145.6 million) less bank loan of £65.0 million (2023: £10.0 million).

No short-term deposits were placed in the year ended 30 June 2024.

### Capital management

The Group's business model remains highly cash generative. The Board's free cash flow priorities are to fund the Group's investment and development, maintain a strong balance sheet, deliver a sustainable and appropriate core dividend and to return surplus capital to shareholders via special dividends and share buybacks.

The Group's target core full-year dividend cover range remains 2.0 to 3.0x earnings, however given the Group's strong financial position, the Group maintains the flexibility to pay dividend outside this target range where appropriate as is the case in the year ended 30 June 2024. The Group's policy for returning surplus net cash to shareholders is based on returning capital above the Group's cash buffer at each financial year-end (30 June) of £100 million, subject to the economic outlook.

The capital structure of the Group consists of net cash/(debt), which is represented by cash and cash equivalents, bank loans and overdrafts (note 21) and equity attributable to equity holders of the parent, comprising issued share capital, reserves and retained earnings.

The Group is not restricted to any externally imposed capital requirements.

### Risk management

A description of the Group's treasury policy and controls is included in the Chief Financial Officer's Review on page 47.

### Cash management and foreign exchange risk

The Group's cash management policy is to minimise interest payments by closely managing Group cash balances and external borrowings. Euro-denominated cash positions are managed centrally using a cash concentration arrangement which provides visibility over participating country bank balances on a daily basis. Any Group surplus balance is used to repay any maturing loans under the Group's revolving credit facility or invested in money market funds. As the Group holds a sterling-denominated debt facility and generates significant foreign currency cash flows, the Board considers it appropriate in certain cases to use derivative financial instruments as part of its day-to-day cash management to reduce the Group's exposure to foreign exchange risk.

The Group's operating profit exposure to foreign currency translation is primarily in respect of the euro and the Australian dollar. The sensitivity of a 1 cent change in the average exchange rates for the year in respect of the euro and Australian dollar would result in a £0.9 million and £0.1 million change in operating profit respectively.

The Group does not use derivatives to hedge balance sheet and income statement translation exposure.

### Interest rate risk

The Group is exposed to interest rate risk on floating rate bank loans and overdrafts. It is the Group's policy to limit its exposure to fluctuating interest rates by selectively hedging interest rate risk using derivative financial instruments, however there were no interest rate swaps held by the Group during the current or prior year. Cash and cash equivalents carry interest at floating rates based on local money market rates.

### Counterparty credit risk

Counterparty credit risk arises primarily from the investment of surplus funds. Risks are closely monitored using credit ratings assigned to financial institutions by international credit rating agencies. The Group restricts transactions to banks and money market funds that have an acceptable credit profile and limits its exposure to each institution accordingly.

## Notes to the Consolidated Financial Statements continued

**20 Derivative financial instruments**

(In £s million)	2024	2023
Net derivative asset	–	0.1

As set out in note 19 to the Consolidated Financial Statements and in the treasury management section of the Chief Financial Officer's Review on page 47, in certain cases the Group uses derivative financial instruments to manage its foreign exchange exposures as part of its day-to-day cash management.

As at 30 June 2024, the Group had entered into six forward exchange contract arrangements with a counterparty bank (2023: six forward contracts). There was no net gain or loss resulting from fair market value of the contracts as at 30 June 2024 (2023: gain of £0.1 million) in the Consolidated Balance Sheet.

In the current year, some of the derivative assets and liabilities met the offsetting criteria of IAS 32 paragraph 42. Consequently, the qualifying gross derivative assets were set off against the qualifying gross derivative liabilities.

The Group does not use derivatives for speculative purposes and all transactions are undertaken to manage the risks arising from underlying business activities. These instruments are classified as Level 2 in the IFRS 7 fair value hierarchy.

Categories of financial assets and liabilities held by the Group are as follows:

(In £s million)	2024	2023
<b>Financial assets</b>		
Net trade receivables	<b>754.3</b>	727.0
Net accrued income	<b>394.5</b>	476.8
Cash and cash equivalents	<b>121.8</b>	145.6
Derivative financial instruments	–	0.1
<b>Total financial assets</b>	<b>1,270.6</b>	1,349.5

(In £s million)	2024	2023
<b>Financial liabilities</b>		
Trade payables	<b>320.7</b>	278.6
Other payables	<b>55.1</b>	87.6
Accruals	<b>477.6</b>	537.7
Bank loans and overdrafts	<b>65.0</b>	10.0
<b>Total financial liabilities</b>	<b>918.4</b>	913.9

**21 Bank loans and overdrafts**

(In £s million)	2024	2023
Bank loans	<b>65.0</b>	10.0

**Risk management**

A description of the Group's treasury policy and controls is included in the Chief Financial Officer's Review on page 47.

**Committed facilities**

On 19 October 2020, the Group extended the maturity of its £210 million unsecured revolving credit facility by one year to November 2025 at the lower value of £170 million in its final year due to reduced lender commitments received. The financial covenants within the facility remain unchanged and require the Group's interest cover ratio to be at least 4:1 and its leverage ratio (net debt to EBITDA) to be no greater than 2.5:1. The interest rate of the facility is based on a ratchet mechanism with a margin payable over SONIA in the range of 0.70% to 1.50%.

At 30 June 2024, £145 million of the committed facility was undrawn (2023: £200 million undrawn).

**Interest rates**

The weighted average interest rates paid were as follows:

	2024	2023
Bank borrowings	<b>6.2%</b>	4.6%

For every 25 basis points fall or rise in the average SONIA rate in the year, there would be a reduction or increase in profit before tax by approximately £0.2 million.

## 22 Trade and other payables

(In £s million)	2024	2023
Trade payables	<b>320.7</b>	278.6
Other tax and social security	<b>73.2</b>	87.4
Other payables	<b>55.1</b>	87.6
Accruals	<b>477.6</b>	537.7
Trade and other payables	<b>926.6</b>	991.3

The Directors consider that the carrying amount of trade payables approximates to their fair value. The average credit period taken for trade purchases is 38 days (2023: 31 days).

Accruals primarily relate to the remuneration costs for temporary workers and other agencies that have provided their services but remuneration has yet to be made due to timing.

## 23 Retirement benefit surplus

The Group operates a number of retirement benefit schemes in the UK and in other countries. The Group's principal schemes are within the UK where the Group operates one defined contribution scheme and two defined benefit schemes. The majority of overseas arrangements are either defined contribution or government-sponsored schemes and these arrangements are not material in the context of the Group results. The total cost charged to the Consolidated Income Statement in relation to these overseas arrangements was £15.3 million (2023: £17.5 million).

### UK Defined Contribution Scheme

The Group's principal defined contribution benefit scheme is the Hays Group Personal Pension Plan which is operated for all qualifying employees and is funded via an employee salary sacrifice arrangement, and for qualifying employees additional employer contributions. Employer contributions are in the range of 3% to 12% of pensionable salary depending on the level of employee contribution and seniority.

The total cost charged to the Consolidated Income Statement of £6.3 million (2023: £5.8 million) represents employer's contributions payable to the money purchase arrangements. There were no contributions outstanding at the end of the current or prior year. The assets of the money purchase arrangements are held separately from those of the Group.

### UK Defined Benefit Schemes

The Group's principal defined benefit schemes are the Hays Pension Scheme and the Hays Supplementary Scheme both in the UK. The Hays Pension Scheme is a funded final salary defined benefit scheme providing pensions and death benefits to members. The Hays Supplementary Scheme is an unfunded unapproved retirement benefit scheme for employees who were subject to HMRC's earnings cap on pensionable salary. The Schemes were closed to future accrual from 30 June 2012 with pensions calculated up until the point of closure. The Schemes are governed by a Trustee Board, which is independent of the Group and are subject to full actuarial valuation on a triennial basis.

The last formal actuarial valuation of the Hays Pension Scheme was performed at 30 June 2021 and quantified the deficit at £23.9 million. A revised deficit funding schedule, in line with the Group's strategy to achieve an eventual buy-out of the Scheme, was agreed with effect from 1 July 2021 which maintained the annual contribution at its previous level, subject to a 3% per annum fixed uplift over a period of five and a half years. During the year ended 30 June 2024, the Group made a contribution of £17.7 million to the Hays Pension Scheme (2023: £17.2 million) in accordance with the agreed deficit funding schedule. The cash contributions made during the year mainly related to deficit funding payments.

In respect of IFRIC 14, The Hays Pension Scheme Definitive Deed and Rules is considered to provide Hays with an unconditional right to a refund of surplus assets and therefore the recognition of a net defined benefit scheme asset is not restricted and agreements to make funding contributions do not give rise to any additional liabilities in respect of the Scheme.

The defined benefit schemes expose the Group to actuarial risks, such as longevity risk, inflation risk, interest rate risk and market (investment) risk. The Group is not exposed to any unusual, entity-specific or scheme-specific risks.

The net amount included in the Consolidated Balance Sheet arising from the Group's obligations in respect of its defined benefit pension schemes is as follows:

(In £s million)	2024	2023
Present value of defined benefit obligations	<b>(489.7)</b>	(475.8)
Less fair value of defined benefit scheme assets:		
Bonds and gilts	<b>180.4</b>	166.7
LDI funds	<b>158.2</b>	162.6
Buy-in policy and other insurance policies	<b>159.5</b>	159.7
Cash	<b>11.0</b>	12.5
Total fair value of defined benefit scheme assets	<b>509.1</b>	501.5
Net asset arising from defined benefit obligations	<b>19.4</b>	25.7

## Notes to the Consolidated Financial Statements continued

**23 Retirement benefit surplus continued**

(In £s million)	Quoted	Unquoted	2024
<b>Asset category</b>			
Bonds and gilts	181.2	(0.8)	<b>180.4</b>
LDI funds	261.1	(102.9)	<b>158.2</b>
Buy-in policy and other insurance policies	–	159.5	<b>159.5</b>
Cash	11.0	–	<b>11.0</b>
<b>Total scheme assets</b>	<b>453.3</b>	<b>55.8</b>	<b>509.1</b>

The Trustee Board is responsible for determining the Hays Pension Scheme's investment strategy, after taking advice from the Scheme's investment advisor Mercer Limited. The investment objective for the Trustee of the Scheme is to maintain a portfolio of suitable assets of appropriate liquidity which will generate investment returns to meet, together with future contributions, the benefits of the defined benefit scheme as they fall due. The current strategy is to hold investments that share characteristics with the long-term liabilities of the Scheme. The majority of assets are invested in a Liability Driven Investments (LDI) portfolio and corporate bonds and gilts. The Scheme also holds a bulk purchasing annuity policy (buy-in) contract with Canada Life Limited in respect of ensuring all future payments to existing pensioners of the Hays defined benefit Scheme as at 31 December 2017. The Scheme assets do not include any directly held shares issued by the Company or property occupied by the Company.

The fair value of financial instruments has been determined using the fair value hierarchy. Where such quoted prices are unavailable, the price of a recent transaction for an identical asset, adjusted if necessary, is used. Where quoted prices are not available and recent transactions of an identical asset on their own are either unavailable or not a good estimate of fair value, valuation techniques are employed using both observable market data and non-observable data.

In relation to the LDI funds the valuations have been determined as follows:

- Repurchase agreements (where the Scheme has sold assets with the agreement to repurchase at a fixed date and price) are included in the Consolidated Financial Statements at the fair value of the repurchase price as a liability. The assets sold are reported at their fair value reflecting that the Scheme retains the risks and rewards of ownership of those assets;
- The fair value of the forward currency contracts is based on market forward exchange rates at the year-end and determined as the gain or loss that would arise if the outstanding contract was matched at the year-end with an equal and opposite contract; and
- Swaps represent current value of future cash flows arising from the swap determined using discounted cash flow models and market data at the reporting date.

The analysis of the LDI funds included within the pension scheme assets is as follows:

(In £s million)	Quoted	Unquoted	2024
<b>LDI funds summary valuation</b>			
Government bonds	(10.1)	–	<b>(10.1)</b>
Government index-linked	267.1	–	<b>267.1</b>
Interest rate swaps	–	(2.5)	<b>(2.5)</b>
Fixed incomes futures	46.5	–	<b>46.5</b>
Liquidity	4.1	–	<b>4.1</b>
<b>Gross funds</b>	<b>307.6</b>	<b>(2.5)</b>	<b>305.1</b>
Repurchase agreements	–	(102.1)	<b>(102.1)</b>
Asset swaps	–	1.7	<b>1.7</b>
Futures	(46.5)	–	<b>(46.5)</b>
<b>Gross liabilities</b>	<b>(46.5)</b>	<b>(100.4)</b>	<b>(146.9)</b>
<b>Total LDI funds</b>	<b>261.1</b>	<b>(102.9)</b>	<b>158.2</b>

The LDI portfolio is managed by Insight (a Bank of New York Mellon company) under an active mandate and uses government bonds and derivative instruments (such as interest rate swaps, inflation swaps and gilt repurchase transactions) to hedge the impact of interest rate and inflation movements in relation to the long-term liabilities.

Under the Schemes' LDI strategy, if interest rates fall, the value of LDI investments will rise to help match the increase in actuarial liabilities arising from the fall in discount rate. Similarly if interest rates rise, the LDI investments will fall in value, as will the liabilities because of the increase in the discount rate. The extent to which the liability interest rate and inflation risk is not fully matched by the LDI funds, represents the residual interest rate and inflation risk the Scheme remains exposed to.

In addition to the above risk, the LDI portfolio forms part of a diversified investment portfolio for the Scheme, with this diversification seeking to reduce investment risk.

The Scheme is subject to direct credit risk because it invests in segregated mandates with the LDI portfolio. Credit risk arising on bonds held directly within the LDI portfolio is mitigated by investing mostly in government bonds where the credit risk is minimal.



Credit risk arising on the derivatives held in the LDI mandate depends on whether the derivative is exchange traded or over the counter (OTC). OTC derivative contracts are not guaranteed by any regulated exchange and therefore the Scheme is subject to risk of failure of the counterparty. The credit risk for OTC swaps held in the LDI portfolio is reduced by collateral arrangements.

The change in the present value of defined benefit obligations is as follows:

(In £s million)	2024	2023
Opening defined benefit obligation at 1 July	<b>(475.8)</b>	(573.5)
Administration costs	<b>(3.0)</b>	(3.2)
Interest on defined benefit scheme liabilities	<b>(24.2)</b>	(21.9)
Net remeasurement losses – change in experience assumptions	<b>(3.6)</b>	(26.5)
Net remeasurement gains – change in demographic assumptions	<b>2.0</b>	16.8
Net remeasurement (losses)/gains – change in financial assumptions	<b>(9.6)</b>	106.6
Benefits and expenses paid	<b>24.5</b>	25.9
Closing defined benefit obligation at 30 June	<b>(489.7)</b>	(475.8)

The analysis of the defined benefit obligations is as follows:

(In £s million)	2024	2023
Plans that are wholly or partly funded	<b>(484.3)</b>	(470.2)
Plans that are wholly unfunded	<b>(5.4)</b>	(5.6)
Total	<b>(489.7)</b>	(475.8)

The defined benefit schemes' liability comprises 54% (2023: 55%) in respect of deferred benefit scheme participants and 46% (2023: 45%) in respect of retirees.

The weighted average duration of the UK defined benefit scheme liabilities at the end of the reporting year is c.13-14 years (2023: 15 years).

The change in the fair value of defined benefit scheme assets is as follows:

(In £s million)	2024	2023
Fair value of plan assets at 1 July	<b>501.5</b>	675.5
Interest income on defined benefit scheme assets	<b>25.9</b>	26.2
Return on scheme assets	<b>(12.0)</b>	(192.0)
Employer contributions (towards funded and unfunded schemes)	<b>18.2</b>	17.7
Benefits and expenses paid	<b>(24.5)</b>	(25.9)
Fair value of plan assets at 30 June	<b>509.1</b>	501.5

During the year the Company made deficit funding contributions of £17.7 million (2023: £17.2 million) into the funded Hays Pension Scheme, and made pension payments amounting to £0.5 million (2023: £0.5 million) in respect of the unfunded Hays Supplementary Scheme. The amount of deficit funding contributions expected to be paid into the funded Hays Pension Scheme in the year to 30 June 2025 is £18.2 million. Following the closure of the schemes in 2012, future service contributions are no longer payable.

The net interest (expense)/credit recognised in the Consolidated Income Statement comprised:

(In £s million)	2024	2023
Net interest income	<b>1.7</b>	4.3
Administration costs	<b>(3.0)</b>	(3.2)
Net interest (expense)/credit recognised in the Consolidated Income Statement	<b>(1.3)</b>	1.1

The net interest income and administration costs in the current year and prior year were recognised within finance costs.

The amounts recognised in the Consolidated Statement of Comprehensive Income are as follows:

(In £s million)	2024	2023
Return on plan assets (excluding amounts included in net interest expense)	<b>(12.0)</b>	(192.0)
Actuarial remeasurement:		
Net remeasurement losses – change in experience assumptions	<b>(3.6)</b>	(26.5)
Net remeasurement gains – change in demographic assumptions	<b>2.0</b>	16.8
Net remeasurement (losses)/gains – change in financial assumptions	<b>(9.6)</b>	106.6
Remeasurement of the net defined benefit surplus	<b>(23.2)</b>	(95.1)

A roll-forward of the actuarial valuation of the Hays Pension Scheme to 30 June 2024 and the valuation of the Hays Supplementary Pension Scheme has been performed by an independent actuary, who is an employee of ISIO Group Limited.

## Notes to the Consolidated Financial Statements continued

**23 Retirement benefit surplus continued**

The key assumptions used at 30 June are as follows:

	2024	2023
Discount rate	<b>5.10%</b>	5.20%
RPI inflation	<b>3.25%</b>	3.25%
CPI inflation	<b>2.65%</b>	2.55%
Rate of increase of pensions in payment	<b>2.95%</b>	2.90%
Rate of increase of pensions in deferment	<b>2.65%</b>	2.55%

The discount rate has been constructed to reference the AA corporate bond curve (which fits a curve to iBoxx sterling AA corporate data). The corporate bond yield curve has been used to discount the Scheme cash flows using the rates available at each future duration and this had been converted into a single flat rate assumption to give equivalent liabilities to the Scheme's cash flows. The duration of the Scheme's liabilities using this approach is c.13-14 years.

The RPI inflation assumption has been set as gilt market implied RPI appropriate to the duration of the liabilities (c.13-14 years) less a 0.2% per annum inflation risk premium. The CPI inflation assumption has been determined as 0.6% per annum below the RPI assumption (2023: 0.7%).

The life expectancy assumptions have been updated and calculated using bespoke 2021 Club Vita base tables along with CMI 2023 projections (smoothing factor of 7 and assuming improvements have peaked) and a long-term improvement rate of 1.25% per annum. On this basis a 65-year-old current pensioner has a life expectancy of 21.8 years for males (2023: 21.8 years) and 23.4 years for females (2023: 23.4 years). Also on the same basis, the life expectancy from age 65 years of a current 45-year-old deferred member is 22.6 years for males (2023: 22.6 years) and 25.4 years for females (2023: 25.4 years).

A sensitivity analysis on the principal assumptions used to measure the Scheme's liabilities at the year-end is:

	Change in assumption	Impact on Scheme's liabilities
Discount rate	+/- 0.5%	-£31m/+£34m
Inflation and pension increases (allowing for caps and collars)	+/- 0.5%	+£19m/-£17m
Assumed life expectancy at age 65	+/- 1 year	+£15m/-£15m

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation; it is unlikely that the change in assumptions would occur in isolation to one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Consolidated Balance Sheet.

**24 Provisions**

(In £s million)	Property	Restructuring	Legal, tax and other matters	Total
At 1 July 2023	–	–	23.6	23.6
Charged to income statement	–	35.8	2.8	38.6
Credited to income statement	–	–	(4.6)	(4.6)
Utilised	–	(22.9)	(3.4)	(26.3)
Transfers from trade and other payables	5.4	–	–	5.4
<b>At 30 June 2024</b>	<b>5.4</b>	<b>12.9</b>	<b>18.4</b>	<b>36.7</b>

(In £s million)	2024	2023
Current	<b>24.0</b>	10.8
Non-current	<b>12.7</b>	12.8
Total provisions	<b>36.7</b>	23.6

During the current year, the Group recognised a restructuring charge of £42.2 million as an exceptional cost as detailed in note 5 of the Consolidated Financial Statements. Of the £42.2 million restructuring charge, £4.9 million relates to impairment of right-of-use assets and £1.5 million relates to early vesting on Performance Share Plans (PSPs), which has been charged to equity. The remaining £35.8m was recognised as a restructuring provision, of which £22.9m was utilised in the year.

On a number of leased properties, the Group has an obligation to restore the leased property to its original condition at the end of the lease term, or incur costs related to the repair and maintenance of the property due to dilapidation. The Group previously recognised an accrual for property dilapidation within Trade and other payables, based on management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. During the year, the Directors made the decision to reclassify the property dilapidation obligations as provisions and therefore the amounts held as Trade and other payables at 30 June 2024 were transferred to provisions. Given that the amount is not material, a prior year restatement has not been made (2023: £5.6 million).

As a global specialist in recruitment and workforce solutions and in common with other similar organisations, in the ordinary course of our business the Group is exposed to the risk of legal, tax and other disputes. Where costs are likely to arise in defending and concluding such disputes, and these costs can be measured reliably, they are provided for in the Consolidated Financial Statements. These items affect various Group subsidiaries in different geographic regions and the amounts provided for are based on management's assessment of the specific circumstances in each case. The timing of settlement depends on the circumstances in each case and is uncertain. Legal matters includes claims relating to disputes raised by our workers with either Hays or our clients. There are no individually material balances within this provision, and management does not consider it reasonably possible that any of these balances will change materially in the next 12 months.

## 25 Called up share capital

### Called up, allotted and fully paid Ordinary shares of 1 pence each

	Share capital number (thousand)	Share capital (£s million)
At 1 July 2023	1,600,433	16.0
<b>At 30 June 2024</b>	<b>1,600,433</b>	<b>16.0</b>

In accordance with the Companies Act 2006, the Company no longer has an authorised share capital. The Company is allowed to hold 10% of issued share capital in treasury.

As at 30 June 2024, the Company held 15.6 million (2023: 11.3 million) Hays plc shares in treasury. The shares held in treasury are used to satisfy the exercises in relation to equity-settled share-based payment awards.

## 26 Merger reserve

(In £s million)	Total
At 1 July 2023	43.8
Interim dividend paid during the year	(15.0)
<b>At 30 June 2024</b>	<b>28.8</b>

The interim dividend for the year ended 30 June 2024 of 95 pence, paid on 9 April 2024, was paid out of the merger reserve, which was generated under Section 612 of the Companies Act 2006 as a result of the cash box structure used in the equity placing of new shares issued during the year ended 30 June 2020.

## 27 Share-based payments

During the year, £9.7 million (2023: £12.0 million) was charged to the Consolidated Income Statement in relation to equity-settled share-based payments.

### Share options

Sharesave is a save as you earn (SAYE) scheme designed to give employees the opportunity to buy Hays plc shares at a discounted price at the end of three-year savings contract, where they have six months to buy the shares or withdraw the savings.

At 30 June 2024 the following options had been granted and remained outstanding in respect of the Company's Ordinary shares of 1 pence each under the Company's share option schemes:

	Number of shares	Nominal value of shares (£)	Subscription price (pence/share)	Date normally exercisable
<b>Hays UK Sharesave Scheme</b>				
	334,377	3,344	143	2024
	498,808	4,988	117	2025
	466,633	4,666	108	2026
	3,798,136	37,981	85	2027
	5,097,954	50,979		
<b>Hays International Sharesave Scheme</b>				
	412,328	4,123	143	2024
	520,039	5,200	117	2025
	451,807	4,518	108	2026
	834,296	8,343	85	2027
	2,218,470	22,184		
<b>Total Sharesave options outstanding</b>	<b>7,316,424</b>	<b>73,163</b>		

## Notes to the Consolidated Financial Statements continued

**27 Share-based payments continued**

The Hays International Sharesave Scheme is available to employees in Australia, New Zealand, Germany, the Republic of Ireland, Canada, Hong Kong SAR, Singapore and the United Arab Emirates.

Details of the share options outstanding during the year are as follows:

	2024 Number of share options (thousand)	2024 Weighted average exercise price (pence)	2023 Number of share options (thousand)	2023 Weighted average exercise price (pence)
<b>Sharesave</b>				
Outstanding at the beginning of the year	5,666	118	6,125	127
Granted during the year	4,733	85	2,328	108
Forfeited during the year	(3,046)	114	(2,104)	126
Expired during the year	(37)	121	(684)	136
Outstanding at the end of the year	7,316	98	5,665	118
Exercisable at the end of the year	747	143	–	135

There were no options exercised during the year (2023: none).

The options outstanding as at 30 June 2024 had a weighted average remaining contractual life of 2.03 years.

**Performance Share Plan (PSP) and Deferred Annual Bonus (DAB)**

The PSP is designed to link reward to the key long-term value drivers of the business and to align the interests of the Executive Directors and approximately 360 of the global senior management population with the long-term interests of shareholders. PSP awards are discretionary and vesting is dependent upon the achievement of performance conditions measured over either a three-year period with a two-year holding period, or a one-year period with a two-year holding period. The fair value of both the PSP and DAB awards are calculated using the share price as at the date the shares are granted.

Only the Executive Directors and other members of the Executive Leadership Team participate in the DAB, which promotes a stronger link between short-term and long-term performance through the deferral of annual bonuses into shares for a three-year period.

Further details of the schemes for the Executive Directors can be found in the Remuneration Report on pages 120 to 144.

Details of the share awards outstanding during the year are as follows:

	2024 Number of share options (thousand)	2024 Weighted average fair value at grant (pence)	2023 Number of share options (thousand)	2023 Weighted average fair value at grant (pence)
<b>Performance Share Plan</b>				
Outstanding at the beginning of the year	27,458	127	24,024	137
Granted during the year	11,212	108	10,245	117
Exercised during the year	(6,315)	128	(3,442)	169
Lapsed during the year	(3,810)	122	(3,369)	144
Outstanding at the end of the year	28,545	116	27,458	127

The weighted average share price on the date of exercise was 105 pence (2023: 115 pence).

The options outstanding as at 30 June 2024 had a weighted average remaining contractual life of 2.1 years.

	2024 Number of share options (thousand)	2024 Weighted average fair value at grant (pence)	2023 Number of share options (thousand)	2023 Weighted average fair value at grant (pence)
<b>Deferred Annual Bonus</b>				
Outstanding at the beginning of the year	3,040	135	2,028	157
Granted during the year	822	104	1,765	114
Exercised during the year	(293)	134	(753)	147
Outstanding at the end of the year	3,569	128	3,040	135

The weighted average share price on the date of exercise was 105 pence (2023: 117 pence).

The options outstanding as at 30 June 2024 had a weighted average remaining contractual life of 1.2 years.

## 28 Related parties

### Remuneration of key management personnel

The remuneration of the Executive Leadership Team and Non-Executive Directors, who are key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 'Related Party Disclosures' and represents the total compensation costs incurred by the Group in respect of remuneration, not the benefit to the individuals. Further information about the remuneration of Executive and Non-Executive Directors is provided in the Directors' Remuneration Report on pages 120 to 144.

(In £s million)	2024	2023
Short-term employee benefits	8.7	8.9
Share-based payments	4.5	5.1
Remuneration of key management personnel	13.2	14.0

## 29 Disaggregation of net fees

IFRS 15 requires entities to disaggregate revenue recognised from contracts with customers into relevant categories that depict how the nature, amount and cash flows are affected by economic factors. As a result, we consider the following information relating to net fees to be relevant and should be considered alongside note 4:

### For the year ended 30 June 2024

	Germany	United Kingdom & Ireland	Australia & New Zealand	Rest of World	Group
Temporary placements	82%	57%	65%	39%	59%
Permanent placements	18%	43%	35%	61%	41%
<b>Total</b>	100%	100%	100%	100%	100%
Private sector	85%	68%	63%	98%	83%
Public sector	15%	32%	37%	2%	17%
<b>Total</b>	100%	100%	100%	100%	100%
Technology	33%	15%	16%	27%	25%
Accountancy & Finance	17%	20%	12%	11%	15%
Engineering	27%	2%	0%	7%	11%
Construction & Property	4%	16%	20%	9%	10%
Office Support	0%	9%	11%	4%	5%
Other	19%	38%	41%	42%	34%
<b>Total</b>	100%	100%	100%	100%	100%

### For the year ended 30 June 2023

	Germany	United Kingdom & Ireland	Australia & New Zealand	Rest of World	Group
Temporary placements	83%	56%	61%	34%	57%
Permanent placements	17%	44%	39%	66%	43%
<b>Total</b>	100%	100%	100%	100%	100%
Private sector	86%	70%	65%	98%	84%
Public sector	14%	30%	35%	2%	16%
<b>Total</b>	100%	100%	100%	100%	100%
Technology	35%	18%	16%	27%	26%
Accountancy & Finance	17%	19%	11%	11%	15%
Engineering	26%	2%	0%	6%	10%
Construction & Property	4%	16%	21%	9%	10%
Office Support	0%	10%	11%	5%	5%
Other	18%	35%	41%	42%	34%
<b>Total</b>	100%	100%	100%	100%	100%

## 30 Contingent liabilities

The Group has issued certain financial guarantees in respect of operating lease obligations and in respect of obtaining regulatory licenses in certain countries. The Group has recognised liabilities in respect of these guarantees, where applicable.

## Notes to the Consolidated Financial Statements continued

**31 Reconciliation of financial liabilities arising from financing activities****Net debt**

(In £s million)	2024	2023
Cash and cash equivalents	<b>121.8</b>	145.6
Bank loans	<b>(65.0)</b>	(10.0)
Lease liabilities	<b>(179.3)</b>	(189.8)
<b>Net debt</b>	<b>(122.5)</b>	(54.2)

**Net debt reconciliation**

(In £s million)	Bank loans	Lease liabilities	Subtotal	Cash and cash equivalents	Total
At 1 July 2023	(10.0)	(189.8)	(199.8)	145.6	(54.2)
Exchange adjustments	–	3.2	3.2	(0.6)	2.6
Financing cash flows	(55.0)	51.0	(4.0)	(23.2)	(27.2)
Interest expense	(7.2)	(5.0)	(12.2)	–	(12.2)
Interest payments	7.2	–	7.2	–	7.2
New leases	–	(38.7)	(38.7)	–	(38.7)
<b>At 30 June 2024</b>	<b>(65.0)</b>	<b>(179.3)</b>	<b>(244.3)</b>	<b>121.8</b>	<b>(122.5)</b>

(In £s million)	Bank loans	Lease liabilities	Subtotal	Cash and cash equivalents	Total
At 1 July 2022	–	(185.1)	(185.1)	296.2	111.1
Exchange adjustments	–	2.2	2.2	(3.8)	(1.6)
Financing cash flows	(10.0)	49.9	39.9	(146.8)	(106.9)
Interest expense	(3.7)	(4.2)	(7.9)	–	(7.9)
Interest payments	3.7	–	3.7	–	3.7
New leases	–	(52.6)	(52.6)	–	(52.6)
At 30 June 2023	(10.0)	(189.8)	(199.8)	145.6	(54.2)

**32 Subsequent events**

The final dividend for 2024 of 2.05 pence per share (£32.5 million) will be proposed at the Annual General Meeting on 20 November 2024 and has not been included as a liability. If approved, the final dividend will be paid on 25 November 2024 to shareholders on the register at the close of business on 18 October 2024.



# HAYS PLC COMPANY BALANCE SHEET

At 30 June 2024

(In £s million)	Note	Company 2024	Company 2023
<b>Non-current assets</b>			
Other intangible assets		3.1	3.0
Property, plant and equipment		0.7	0.8
Investment in subsidiaries	4	743.9	743.9
Trade and other receivables	5	71.2	67.9
Deferred tax assets	6	0.3	1.3
Retirement benefit surplus	9	19.4	25.7
		<b>838.6</b>	842.6
<b>Current assets</b>			
Trade and other receivables	7	24.8	19.6
Cash and cash equivalents		0.5	0.3
		<b>25.3</b>	19.9
<b>Total assets</b>		<b>863.9</b>	862.5
<b>Current liabilities</b>			
Trade and other payables	8	(99.0)	(118.2)
Provisions	10	(2.7)	(1.9)
		<b>(101.7)</b>	(120.1)
<b>Net current liabilities</b>		<b>(76.4)</b>	(100.2)
<b>Total assets less current liabilities</b>		<b>762.2</b>	742.4
<b>Non-current liabilities</b>			
Deferred tax liabilities	6	-	(2.6)
Provisions	10	(0.6)	(5.4)
		<b>(0.6)</b>	(8.0)
<b>Total liabilities</b>		<b>(102.3)</b>	(128.1)
<b>Net assets</b>		<b>761.6</b>	734.4
<b>Equity</b>			
Called up share capital	11	16.0	16.0
Share premium		369.6	369.6
Merger reserve	12	28.8	43.8
Capital redemption reserve		3.4	3.4
Retained earnings		319.9	277.5
Equity reserve		23.9	24.1
<b>Total equity</b>		<b>761.6</b>	734.4

The profit for the financial year in the Hays plc Company Financial Statements is £131.0 million (2023: profit of £100.3 million).

The Financial Statements of Hays plc, registered number 2150950, set out on pages 187 to 195 were approved by the Board of Directors and authorised for issue on 21 August 2024.

Signed on behalf of the Board of Directors

**D Hahn**

**J Hilton**

# HAYS PLC COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

(In £s million)	Called up share capital	Share premium	Merger reserve <sup>(1)</sup>	Capital redemption reserve	Retained earnings	Equity reserve <sup>(2)</sup>	Total equity
At 1 July 2023	16.0	369.6	43.8	3.4	277.5	24.1	734.4
Remeasurement of defined benefit pension schemes	-	-	-	-	(23.2)	-	(23.2)
Tax relating to components of other comprehensive income	-	-	-	-	5.5	-	5.5
Net expense recognised in other comprehensive income	-	-	-	-	(17.7)	-	(17.7)
Profit for the year	-	-	-	-	131.0	-	131.0
Total comprehensive income for the year	-	-	-	-	113.3	-	113.3
Dividends paid	-	-	(15.0)	-	(68.3)	-	(83.3)
Purchase of own shares	-	-	-	-	(12.3)	-	(12.3)
Share-based payments charged to the income statement	-	-	-	-	-	9.5	9.5
Share-based payments settled on vesting	-	-	-	-	9.7	(9.7)	-
<b>At 30 June 2024</b>	<b>16.0</b>	<b>369.6</b>	<b>28.8</b>	<b>3.4</b>	<b>319.9</b>	<b>23.9</b>	<b>761.6</b>

For the year ended 30 June 2023

(In £s million)	Called up share capital	Share premium	Merger reserve <sup>(1)</sup>	Capital redemption reserve	Retained earnings	Equity reserve <sup>(2)</sup>	Total equity
At 1 July 2022	16.7	369.6	43.8	2.7	429.5	21.6	883.9
Remeasurement of defined benefit pension schemes	-	-	-	-	(95.1)	-	(95.1)
Tax relating to components of other comprehensive income	-	-	-	-	18.3	-	18.3
Net expense recognised in other comprehensive income	-	-	-	-	(76.8)	-	(76.8)
Profit for the year	-	-	-	-	100.3	-	100.3
Total comprehensive income for the year	-	-	-	-	23.5	-	23.5
Dividends paid	-	-	-	-	(165.1)	-	(165.1)
Purchase of own shares	(0.7)	-	-	0.7	(19.0)	-	(19.0)
Share-based payments charged to the income statement	-	-	-	-	-	11.1	11.1
Share-based payments settled on vesting	-	-	-	-	8.6	(8.6)	-
At 30 June 2023	16.0	369.6	43.8	3.4	277.5	24.1	734.4

(1) The Merger reserve was generated under Section 612 of the Companies Act 2006, as a result of the cash box structure used in the equity placing of new shares issued during the year ended 30 June 2020.

(2) The Equity reserve is generated as a result of IFRS 2 'Share-based payments'.

# NOTES TO THE HAYS PLC COMPANY FINANCIAL STATEMENTS

## 1 Accounting policies

### Basis of accounting

The Company Financial Statements have been prepared under the historical cost convention, in accordance with Financial Reporting Standard 101 (FRS 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by Section 408 of the Companies Act 2006, the Company's Income Statement has not been presented. The Company, as permitted by FRS 101, has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, certain disclosures regarding the Company's capital, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, certain related party transactions and the effect of future accounting standards not yet adopted. Where required, equivalent disclosures are provided in the Consolidated Financial Statements of Hays plc.

### New and amended accounting standards effective during the year

There have been no new or amended accounting standards or interpretations adopted during the year that have had a significant impact on the Company Financial Statements.

The significant accounting policies and significant judgments and key estimates relevant to the Company are the same as those set out in note 2 and note 3 to the Consolidated Financial Statements with the addition of the following accounting policies set out below.

### Investment in subsidiary undertakings

Investments in subsidiary undertakings are held at cost less any provision for impairment. The subsidiary undertakings which the Company held at 30 June 2024 are described in note 4 to the Company Financial Statements.

### Guarantee arrangements

As a part of various intercompany arrangements, the Company has issued letters of support to various subsidiaries within the Group to assist with their day-to-day operations. The Company doesn't have any contractual obligations in respect of these letters of support.

### Intercompany and other receivables

Intercompany and other receivables are initially measured at fair value. Subsequent to initial recognition these assets are measured at amortised cost less any provision for impairment losses. The Company measures impairment losses using the expected credit loss model in accordance with IFRS 9.

## 2 Employee information

There are no staff employed by the Company (2023: none), therefore no remuneration has been disclosed. Details of Directors' emoluments and interests are included in the Remuneration Report on pages 120 to 144 of the Annual Report.

## 3 Profit for the year

Hays plc has not presented its own Income Statement and related notes as permitted by Section 408 of the Companies Act 2006. The profit for the financial year in the Hays plc Company Financial Statements is £131.0 million (2023: profit of £100.3 million).

## 4 Investment in subsidiaries

(In £s million)

	2024	2023
<b>Cost</b>		
At 1 July	<b>743.9</b>	743.9
At 30 June	<b>743.9</b>	743.9

Investments in subsidiaries are stated at cost less any impairment in recoverable value. Management has carried out an assessment for any indications of impairment in the investment carrying value as at 30 June 2024. No indicators were identified that would suggest an impairment is required.

The subsidiary undertakings of the Company are listed in note 13 to the Company Financial Statements.

## 5 Trade and other receivables: non-current assets

(In £s million)

	2024	2023
Prepayments	<b>0.6</b>	1.6
Amounts owed by subsidiary undertakings	<b>70.6</b>	66.3
Trade and other receivables: amounts falling due after more than one year	<b>71.2</b>	67.9

The Company charges interest on amounts owed by subsidiary undertakings at a rate of three-month SONIA plus 1%. The amounts owed by subsidiary undertakings are unsecured.

## Notes to the Hays plc Company Financial Statements continued

**6 Deferred tax**

(In £s million)	2024	2023
Deferred tax assets	0.3	1.3
Deferred tax liabilities	-	(2.6)
Net deferred tax	0.3	(1.3)

The reduction in the overall deferred tax balance is primarily explained by the decrease in the deferred tax liability driven by a decrease in the retirement benefit surplus, partially offset by the derecognition of deferred tax asset in relation to tax losses, together with a reduction in the deferred tax asset following a provision release.

**7 Trade and other receivables: current assets**

(In £s million)	2024	2023
Corporation tax debtor	1.9	1.2
Amounts owed by subsidiary undertakings	17.6	13.5
Prepayments	5.3	4.9
Trade and other receivables: amounts falling due within one year	24.8	19.6

The amounts owed by subsidiary undertakings relate to a corporation tax debtor which is expected to be settled via group relief from UK subsidiary undertakings.

**8 Trade and other payables**

(In £s million)	2024	2023
Accruals	19.7	24.2
Amounts owed to subsidiary undertakings	79.3	94.0
Trade and other payables	99.0	118.2

Amounts owed to subsidiary undertakings are repayable on demand. The Company is charged interest on amounts owed to subsidiary undertakings at a rate of three-month SONIA less 1%.

**9 Retirement benefit surplus**

(In £s million)	2024	2023
Net asset arising from defined benefit obligations	19.4	25.7

The details of these UK schemes, for which Hays plc is the sponsoring employer, are set out in note 23 to the Consolidated Financial Statements.

**10 Provisions**

(In £s million)	Total
At 1 July 2023	7.3
Charged to income statement	3.9
Credited to the income statement	(5.3)
Utilised during the year	(2.6)
<b>At 30 June 2024</b>	<b>3.3</b>

  

(In £s million)	2024	2023
Current	2.7	1.9
Non-current	0.6	5.4
Total provisions	3.3	7.3

Provisions comprise of potential exposures arising as a result of business operations. The timing of settlement depends on the circumstances in each case and is uncertain.

## 11 Called up share capital

### Called up, allotted and fully paid Ordinary shares of 1 pence each

	Share capital number (thousand)	Share capital (£s million)
At 1 July 2023	1,600,433	16.0
<b>At 30 June 2024</b>	<b>1,600,433</b>	<b>16.0</b>

In accordance with the Companies Act 2006, the Company no longer has an authorised share capital. The Company is allowed to hold 10% of issued share capital in treasury.

As at 30 June 2024, the Company held 15.6 million (2023: 11.3 million) Hays plc shares in treasury. The shares held in treasury are used to satisfy the exercises in relation to equity-settled share-based payment awards.

## 12 MERGER RESERVE

(In £s million)

	Total
At 1 July 2023	43.8
Interim dividend paid during the year	(15.0)
<b>At 30 June 2024</b>	<b>28.8</b>

The interim dividend for the year ended 30 June 2024 of 95 pence, paid on 9 April 2024, was paid out of the merger reserve, which was generated under Section 612 of the Companies Act 2006 as a result of the cash box structure used in the equity placing of new shares issued during the year ended 30 June 2020.

## Notes to the Hays plc Company Financial Statements continued

**13 Subsidiaries**

	Registered Address and Country of Incorporation
Emposo Pty Limited	Level 13, The Chifley Tower, 2 Chifley Square, Sydney, NSW 2000, Australia
Hays Specialist Recruitment (Australia) Pty Limited	Level 13, The Chifley Tower, 2 Chifley Square, Sydney, NSW 2000, Australia
Hays Österreich GmbH	Europaplatz 3/5, 1150 Wien, Austria
Hays Professional Solutions Österreich GmbH	Europaplatz 3/5, 1150 Wien, Austria
Hays NV	Brugsesteenweg 255, 8500 Kortrijk, Belgium
Hays Services NV	Brugsesteenweg 255, 8500 Kortrijk, Belgium
Hays Alocação Profissional Ltda	Avenida das Nações Unidas, nº 14.401 Torre Jequitibá, 17º andar, São Paulo, Brazil – CEP 04794-000
Hays Recruitment and Selection Ltda	Avenida das Nações Unidas, nº 14.401 Torre Jequitibá, 17º andar, São Paulo, Brazil – CEP 04794-000
Hays Trabalho Temporário Ltda	Avenida das Nações Unidas, nº 14.401 Torre Jequitibá, 17º andar, São Paulo, Brazil – CEP 04794-000
Hays Specialist Recruitment (Canada) Inc.	8 King Street East, 20 <sup>th</sup> Floor, Toronto, Ontario, M5C 1B5
Hays Especialistas En Reclutamiento Limitada	Cerro El Plomo 5630, Of. 1701, Las Condes, P.O. 7560742, Santiago, Chile
Hays Specialist Recruitment (Shanghai) Co. Limited* (90% owned)	Unit 0304, 19/F Shui On Plaza, 333 Huaihai Road, Lot No.7 Luwan District, Shanghai 200020, CN, 0, China
Hays Colombia SAS	AK 45 No. 108-27 Torre 2 Oficina 1105, Bogotá, Colombia
Hays Czech Republic s.r.o	Olivova 4/2096, 110 00 Praha 1, Czech Republic
Hays Information Technology s.r.o	Olivova 4/2096, 110 00 Praha 1, Czech Republic
Hays Specialist Recruitment (Denmark) A/S	Kongens Nytorv 8, 1050 København K, Denmark
H101 Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Commercial Services Limited (In Liquidation)	55 Baker Street, London, W1U 7EU, UK
Emposo Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Fairer Consulting Limited* (65% owned)	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Group Holdings Limited †	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Healthcare Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Holdings Ltd †	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays International Holdings Limited †	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Life Sciences Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Nominees Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Overseas Holdings Limited †	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Pension Trustee Limited †	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Recruitment Services Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Social Care Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Specialist Recruitment (Holdings) Limited †	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Specialist Recruitment Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Stakeholder Life Assurance Trustee Limited †	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
James Harvard Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Krooter Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Oval (1620) Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Paperstream Limited	4 <sup>th</sup> Floor, 20 Triton Street, London, NW1 3BF, UK
Recruitment Solutions Group Limited (IOM)	First Names House, Victoria Road, Douglas, IM2 4DF, Isle of Man
Emposo SASU	149 boulevard Haussmann, 75008 Paris, France
Hays Consulting SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Corporate SASU	147 boulevard Haussmann, 75008 Paris, France



## Registered Address and Country of Incorporation

Hays Enterprise Solutions SASU	149 boulevard Haussmann, 75008 Paris, France
Hays Executive SASU	147 boulevard Haussmann, 75008 Paris, France
Hays France SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Life Sciences Consulting SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Media SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Pharma SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Portage	149 boulevard Haussmann, 75008 Paris, France
Hays SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Services SASU	147 boulevard Haussmann, 75008 Paris, France
Emposo GmbH	Glücksteinallee 67, 68163, Mannheim, Germany
Hays AG	Glücksteinallee 67, 68163, Mannheim, Germany
Hays Beteiligungs GmbH & Co. KG	Glücksteinallee 67, 68163, Mannheim, Germany
Hays Holding GmbH	Glücksteinallee 67, 68163, Mannheim, Germany
Hays Professional Solutions GmbH	Völklinger Straße 4, 40219 Düsseldorf, Germany
Hays Talent Solutions GmbH	Völklinger Straße 4, 40219 Düsseldorf, Germany
Hays Verwaltungs GmbH	Willy-Brandt-Platz 1-3, 68161 Mannheim, Germany
Hays Vorrat 01 GmbH	Willy-Brandt-Platz 1-3, 68161 Mannheim, Germany
Hays Hong Kong Limited	Unit 6604-07, 66/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Hays Specialist Recruitment Hong Kong Limited	Unit 6604-07, 66/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Hays Hungary Kft	1054 Budapest, Akadémia utca 6., Hungary
Hays Professional Services Kft	1054 Budapest, Akadémia utca 6., Hungary
Hays Business Solutions Private Limited (Gurgaon)	Buildings 9B, 11 <sup>th</sup> Floor, DLF Cyber City, Gurgaon, Haryana-HR, 122002, India
Hays Specialist Recruitment Private Limited	Office No. 2102, Space Inspire Hub, Adani Western Height, J.P. Road, Four Bungalows, Andheri West, Mumbai, Maharashtra, 400053, India
Emposo (Ireland) Limited	26/27a Grafton St. Dublin 2, Ireland
Hays Business Services Ireland Limited	26/27a Grafton St, Dublin 2, Ireland
Hays Specialist Recruitment (Ireland) Limited	26/27a Grafton St, Dublin 2, Ireland
Hays Professional Services S.r.l	Corso Italia 13, CAP 20122, Milano, Italy
Hays Solutions S.r.l	Corso Italia 13, CAP 20122, Milano, Italy
Hays S.r.l	Corso Italia 13, CAP 20122, Milano, Italy
Hays Resource Management Japan K.K.	Izumi Garden Tower 38F 1-6-1 Roppongi, Minato-ku, Tokyo 106-6028, Japan
Hays Specialist Recruitment Japan K.K.	Izumi Garden Tower 38F 1-6-1 Roppongi, Minato-ku, Tokyo 106-6028, Japan
Hays Finance (Jersey) Limited	44 Esplande, St Helier, Jersey JE4 9WG
Hays S.a.r.l	65 Avenue de la Gare – L 1611, Luxembourg
Hays Travail Temporaire Luxembourg	65 Avenue de la Gare – L 1611, Luxembourg
Agensi Pekerjaan Hays (Malaysia) Sdn. Bhd.* (49% owned)	B4-3A-6, Solaris Dutamas, No 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Malaysia
Hays Solutions Sdn. Bhd.	B4-3A-6, Solaris Dutamas, No 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Malaysia
Hays Specialist Recruitment Holdings Sdn. Bhd.	B4-3A-6, Solaris Dutamas, No 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Malaysia
Hays Flex. S.A. de C.V.	Avenida Paseo de las Palmas No. 405, esquina con Sierra Mojada, Colonia Lomas de Chapultepec, C.P. 11000, México, D.F.

## Notes to the Hays plc Company Financial Statements continued

**13 Subsidiaries continued**

	Registered Address and Country of Incorporation
Hays Servicios S.A. de C.V.	Avenida Paseo de las Palmas No. 405, esquina con Sierra Mojada, Colonia Lomas de Chapultepec, C.P. 11000, México, D.F.
Hays, S.A. de C.V.	Avenida Paseo de las Palmas No. 405, esquina con Sierra Mojada, Colonia Lomas de Chapultepec, C.P. 11000, México, D.F.
Hays Maroc	Casablanca 20180, Anfa Place, Tour Ouest, Niveau 1, Boulevard de la corniche – Ain Diab (Maroc), Morocco
Hays B.V.	Ellen Pankhurststraat 1G, NL-5032 MD, Tilburg, Netherlands
Hays Holdings B.V.	Ellen Pankhurststraat 1G, NL-5032 MD, Tilburg, Netherlands
Hays Services B.V.	Ellen Pankhurststraat 1G, NL-5032 MD, Tilburg, Netherlands
Hays Temp B.V.	Ellen Pankhurststraat 1G, NL-5032 MD, Tilburg, Netherlands
Hays Specialist Recruitment (NZ) Limited	Level 36, ANZ Tower, 23 Albert Street, Auckland, 1010, New Zealand
Hays Document Management (Private) Limited (in liquidation)	6 <sup>th</sup> Floor, AWT Plaza, I.I Chundrigar Road, Karachi, Pakistan
Hays Outsourcing Sp. z.o.o.	ul. Marszałkowska 126/134, 00-008 Warszawa, Poland
Hays Poland Sp. z.o.o.	ul. Marszałkowska 126/134, 00-008 Warszawa, Poland
Hays Poland Centre of Excellence sp. z.o.o.	ul. Marszałkowska 126/134, 00-008 Warszawa, Poland
Hays Business Services Portugal Unipessoal LDA	Avenida da Republica, no 18 – 2 <sup>o</sup> andar, Lisbon, Portugal
HaysP Recrutamento Seleccao e Empresa de Trabalho Temporario Unipessoal LDA	Avenida da Republica, no 9 – 1 andar, fracao 4, Lisbon, Portugal
Hays Specialist Recruitment Romania SRL	Premium Plaza 63-69 Dr. Iacob Felix Street, 7 <sup>th</sup> floor, Bucharest 011033 Romania
Hays Professional Services SRL	Premium Plaza 63-69 Dr. Iacob Felix Street, 7 <sup>th</sup> floor, Bucharest 011033 Romania
Emposo Romania SRL	1B Sergent Ghercu Constantin Street, the Bridge – Phase III, Building C, 6 <sup>th</sup> Floor, 6 <sup>th</sup> District, Romania
Hays Management Company	Building 7534, King Abdul Aziz Street, Al Ghadeer Dist. Postal Code: 13311, Riyadh, Kingdom of Saudi Arabia
Hays Specialist Recruitment P.T.E Limited	80 Raffles Place, #27-20 UOB Plaza 2, Singapore
Hays Solutions Pte Ltd	80 Raffles Place, #27-20 UOB Plaza 2, Singapore
Hays Business Services S.L.	Paseo de la Castellana 81, 28046 Madrid, Spain
Hays Personnel Espana Empresa de Trabajo Temporal S.L.	Paseo de la Castellana 81, 28046 Madrid, Spain
Hays Personnel Services Espana S.L.	Paseo de la Castellana 81, 28046 Madrid, Spain
Hays Talent Solutions Espana S.L.	Madrid, C/Zurbano n° 23, 1° Dcha (C.P. 28010)
Hays AB	Bryggargatan 4, 11121 Stockholm, Sweden
Hays (Schweiz) AG	Beethovenstrasse 19 8002 Zürich, Switzerland
Hays Talent Solutions (Schweiz) GmbH	Beethovenstrasse 19 8002 Zürich, Switzerland
Hays Holdings (Thailand) Ltd * (49% owned)	No. 8 T-One Building, 22 <sup>nd</sup> Floor, Unit 2202, Soi Sukhumvit 40, Sukhumvit Road, Phra Khanong Sub-district, Klong Toei District, Bangkok, Thailand
Hays Recruitment (Thailand) Ltd * (74% owned)	No. 8 T-One Building, 22 <sup>nd</sup> Floor, Unit 2202, Soi Sukhumvit 40, Sukhumvit Road, Phra Khanong Sub-district, Klong Toei District, Bangkok, Thailand
Hays FZ-LLC	Al Thuraya Tower 1, Office 2003, Dubai Media City Dubai 500340, UAE
3 Story Software LLC	c/o C T Corporation System, 67 Burnside Avenue, East Hartford, CT 06108, USA
Hays Holding Corporation	c/o National Registered Agents, Inc. 1209 Orange Street, Wilmington, DE 19801, USA
Hays Specialist Recruitment LLC	c/o National Registered Agents, Inc. 1209 Orange Street, Wilmington, DE 19801, USA

## Registered Address and Country of Incorporation

Hays Talent Solutions LLC	c/o National Registered Agents, Inc. 1209 Orange Street, Wilmington, DE 19801, USA
Hays U.S. Corporation	c/o NRAI Services, Inc. 1200 South Pine Island Road, Plantation FL 33324 USA
Hays Holdings U.S. Inc.	c/o NRAI Services, Inc. 1200 South Pine Island Road, Plantation FL 33324 USA

As at 30 June 2024, Hays plc and/or a subsidiary or subsidiaries in aggregate owned 100% of each class of the issued shares of each of these companies with the exception of companies marked with an asterisk (\*) in which case each class of issued shares held was as stated.

Shares in companies marked with a (+) were owned directly by Hays plc. All other companies were owned by a subsidiary or subsidiaries of Hays plc.

#### 14 Other related party transactions

Hays plc has taken advantage of the exemption granted under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries. Transactions entered into and trading balances outstanding that were owed to Hays plc at 30 June 2024 with other related parties were £5.6 million (2023: £4.1 million).