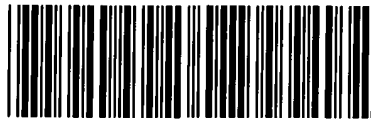


**NES Global Talent Finance Limited**

**Annual report and financial statements  
for the year ended 31 October 2016**

Registered number: 08240401

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COMPANIES HOUSE

## Officers and professional advisers

### **DIRECTORS**

S.W. Buckley

S.F. Coton

### **REGISTERED OFFICE**

Station House

Stamford New Road

Altrincham

Cheshire

WA14 1EP

### **AUDITOR**

Deloitte LLP

Statutory Auditor

2 Hardman Street

Manchester

M3 3HF

United Kingdom

### **BANKERS**

Credit Suisse

11 Madison Avenue

5<sup>th</sup> Floor

New York 10010-3629

USA

The Royal Bank of Scotland plc

1 Spinningfield Square

Manchester

M3 3AP

United Kingdom

HSBC Bank PLC

4 Hardman Square

Spinningfields

Manchester

M3 3EB

United Kingdom

## Strategic report

For the year ended 31 October 2016

The directors present the strategic report on the company for the year ending 31 October 2016.

### Principal activity and business model

The principal activities of the company are that of an intermediate holding company and to provide finance to subsidiary undertakings.

### Strategy, objectives and future developments

The main strategy and objective of the company is to continue to support its subsidiary undertakings by providing required amounts of finance in order for those companies to continue trading and support growth.

### Business review

The company made a loss of £2,086,000 in the year ended 31 October 2016 (2015: loss of £407,000) as a result of interest payable and amortisation of finance costs exceeding interest receivable. The balance sheet shows that the company has net liabilities of £22,875,000 (2015: £20,789,000) and is presented on page 9.

### Key performance indicators

The directors consider the company's key performance indicator to be the financial performance of its subsidiaries. The performance of these subsidiaries is monitored monthly by the directors by way of comprehensive management reports and as these companies are, and are expected to continue to be, profitable the directors consider the key performance indicator outturn to be satisfactory.

### Principal risks and uncertainties

#### *Financial risk*

As part of its ordinary activities, the company is exposed to a number of financial risks, including liquidity risk, exchange rate risk, interest rate and credit risk. The company has policies and procedures in place to monitor and manage these risks.

Liquidity risk relates to the company's ability to meet the cash flow requirements of the operations, while avoiding excessive levels of debt and/or breach of Group debt covenants. The company's borrowings are principally in the form of intercompany loans and intercompany loan notes. The board closely monitors the amount of facilities drawn, particularly with respect to complying with all covenant restrictions.

The company has foreign currency denominated receivables and payables. Management continuously assesses the acknowledged exchange rate risk that the company is subject to at the present time. The company's exposure to exchange rate risk is continually monitored by management with appropriate steps taken to minimise the risk of adverse currency movements.

The company's credit risk is primarily attributable to its intercompany receivables, with the amounts presented in the balance sheet being net of allowances for doubtful receivables. The directors continuously review these balances for collectability and make adjustments as necessary.

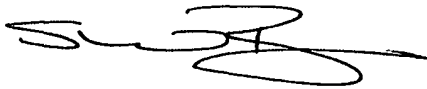
These risks are kept under constant review.

**Strategic report (continued)**  
For the year ended 31 October 2016

**Future outlook**

Management expect the business to continue to act as a holding company and as a result will remain in a net liabilities position for the foreseeable future. As per the going concern paragraph on page 11, the company relies on parent company support to manage its working capital on a pooled basis across the group and distribute cash to its subsidiaries where required. The majority of the company's liabilities would be repaid using cash distributed from the parent company when required.

The strategic report of NES Global Talent Finance Limited was approved by the board of directors and signed on its behalf on 27 July 2017 by:

A handwritten signature in black ink, appearing to be 'S.W. Buckley', written over a horizontal line.

**S.W. Buckley**  
Director

## Directors' report

For the year ended 31 October 2016

The directors present their annual report on the affairs of the company, together with the audited statutory financial statements, for the year ended 31 October 2016.

### Results and dividends

The audited financial statements for the year ended 31 October 2016 are set out on pages 8 to 23. The directors cannot recommend the payment of a dividend (2015: no dividend recommended).

### Going concern

After making enquiries, and based on the assumptions outlined in note 1 to the financial statements, the directors have concluded that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the financial statements.

### Matters included in the strategic report

In accordance with s414(C) (11) of the Companies Act, included in the strategic report is information relating to the future development of the business which would otherwise be required by Schedule 7 of the 'large and medium sized companies and groups (accounts and reports) regulations 2008' to be contained in a directors' report.

### Directors

The directors who served during the year and thereafter were:

S.W. Buckley  
S.F. Coton

### Auditor

In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

A resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the next directors' meeting.

### Approval of reduced disclosures

The company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The company's shareholders have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received. The company also intend to take advantage of these exemptions in the financial statements to be issued in the following year.

By order of the Board,



S.W. Buckley  
Director

27 July 2017

## Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Independent auditor's report

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NES GLOBAL TALENT FINANCE LIMITED

We have audited the financial statements of NES Global Talent Finance Limited for the year ended 31 October 2016 which comprise the Profit and loss account, the Statement of comprehensive income, the Balance sheet and the Statement of changes in equity and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

#### Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Independent auditor's report (continued)

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



**Patrick Loftus BSc ACA (Senior Statutory Auditor)**  
for and on behalf of Deloitte LLP  
Statutory Auditor  
Manchester  
United Kingdom

27 July 2017



**Profit and loss account**  
For the year ended 31 October 2016

	Notes	2016 £'000	2015 £'000
Interest receivable and similar income	2	17,369	15,273
Interest payable and similar charges	3	(19,455)	(15,680)
<b>Loss on ordinary activities before taxation</b>	4	(2,086)	(407)
Tax on loss on ordinary activities	5	-	-
<b>Loss for the financial year</b>		<u>(2,086)</u>	<u>(407)</u>

All activity has arisen from continuing operations.

The company has no recognised gains or losses other than the loss for the financial year and prior financial year shown above. Accordingly, a separate statement of other comprehensive income has not been prepared.

The accompanying notes are an integral part of this profit and loss account.

**Balance sheet**  
As at 31 October 2016

	Notes	2016 £'000	2015 £'000
<b>Fixed assets</b>			
Investments	6	127,192	123,291
<b>Current assets</b>			
Debtors	7	61,941	43,092
<b>Creditors: Amounts falling due within one year</b>	8	(76,402)	(55,643)
<b>Net current liabilities</b>		(14,461)	(12,551)
<b>Total assets less current liabilities</b>		112,731	110,740
<b>Creditors: Amounts falling due after more than one year</b>	9	(135,606)	(131,529)
<b>Net liabilities</b>		(22,875)	(20,789)
<b>Capital and reserves</b>			
Called-up share capital	10	1,000	1,000
Share premium account		8	8
Profit and loss account		(23,883)	(21,797)
<b>Shareholder's deficit</b>		(22,875)	(20,789)

The financial statements of NES Global Talent Finance Limited, registered company number 08240401, were approved by the board of directors and authorised for issue on 27 July 2017 and signed on its behalf by:



**S.W. Buckley**  
Director

The accompanying notes are an integral part of this balance sheet.

**Statement of changes in equity**  
For the year ended 31 October 2016

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
<b>At 31 October 2014</b>	1,000	8	(21,390)	(20,382)
Loss for the year	-	-	(407)	(407)
<b>At 31 October 2015</b>	1,000	8	(21,797)	(20,789)
Loss for the year	-	-	(2,086)	(2,086)
<b>At 31 October 2016</b>	1,000	8	(23,883)	(22,875)

## Notes to the financial statements

For the year ended 31 October 2016

### 1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out on the director's report.

#### *b) General information and basis of accounting*

NES Global Talent Finance Limited (the Company) is a company limited by shares and incorporated in England and Wales under the Companies Act.

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

There has been no material adjustment on adoption of FRS 102 in the current year. For more information see note 14.

The functional currency of the Company is considered to be pound sterling, being the currency of the primary economic environment in which the Company operates.

The company has taken advantage of section 400 of the Companies Act 2006 in not producing consolidated financial statements, as it is a subsidiary of NES Global Talent Limited which itself produces consolidated financial statements.

#### *b) Going concern*

The performance, financial position and the key risks impacting the company are detailed in the Strategic report and Directors' report on pages 2 to 4. The company is a subsidiary of NES Global Talent Limited, which manages its working capital on a pooled basis across the group. Based on the strong trading relationship between this company and the parent company, the directors of this company have sought and received a confirmation from the parent company that it will provide support as may be necessary for the foreseeable future, which is a period of at least twelve months from the date of signing these financial statements. In relying on this parent company support, the directors of this company are cognisant of the following going concern disclosure which appears in the financial statements of NES Global Talent Limited for the year ended 31 October 2016.

"At 31 October 2016, these facilities consisted of a \$60 million revolving credit facility, \$50 million of invoice discounting facilities and a \$167 million senior term loan. The bank facilities are subject to covenant restrictions and no covenant breaches have occurred in the period under review or are forecast to occur in the Going Concern review period. In addition to the bank facilities the Group has \$248 million of loan notes which are not due for repayment until 2032. See note 16 [in the NES Global Talent financial statements] for details of undrawn committed facilities.

As discussed in the Strategic Review the Group operates in the oil and gas sector, which is currently experiencing significant uncertainties due to the reductions in the oil price that commenced in 2014. The Directors have considered downside sensitivities in their Going Concern assessment and have concluded that there is sufficient headroom on covenants.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group expects to operate within the level of its current facilities and covenants. The majority of the Group's bank facilities are not repayable until 2019. Therefore the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements."

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 1 Accounting policies (continued)

#### *c) Investments*

Fixed asset investments are shown at cost, less provision for any impairment.

#### *d) Taxation*

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

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

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### *e) Exemptions for qualifying entities under FRS 102*

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has taken advantage of the available exemptions to not disclose:

- a) A statement of cash flows;
- b) Certain financial instrument disclosures on the basis that equivalent disclosures are included in the consolidated financial statements of the group in which the Company is consolidated; and
- c) Key management personnel compensation in total.

#### *f) Foreign currency translation*

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or, if appropriate, at the forward contract rate. All differences are taken to the statement of total recognised gains and losses.

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 1 Accounting policies (continued)

#### *g) Impairment of assets*

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

#### **Non-financial assets**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

#### **Financial assets**

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

#### *h) Finance costs*

Finance costs of debt are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

#### *i) Financial instruments*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 1 Accounting policies (continued)

#### *j) Financial instruments (continued)*

##### *(i) Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

##### *(ii) Equity instruments*

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

#### *k) Critical accounting judgements*

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. We have not identified any key critical accounting judgments in the application of the company's accounting policies.

#### *l) Key sources of estimation uncertainty*

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. We have not identified any key sources of estimation and uncertainty.

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 2 Interest receivable and similar income

	2016 £'000	2015 £'000
Interest on subordinated preference certificates	17,369	15,273
	<u>17,369</u>	<u>15,273</u>

### 3 Interest payable and similar charges

	2016 £'000	2015 £'000
Interest on loan notes	19,279	15,484
Amortisation of finance costs	176	176
Foreign exchange loss on loan note retranslations	-	20
	<u>19,455</u>	<u>15,680</u>

### 4 Loss on ordinary activities before tax

The auditor's remuneration for the audit of the company's financial statements pursuant to legislation of £2,000 (31 October 2015: £2,000) is borne by NES Group Limited, a fellow group undertaking, without any right of reimbursement. There were no non-audit services provided by the auditor in the year. There are no employees other than directors and no remuneration has been paid to the directors, their remuneration being borne by other group companies, and not recharged to the company (2015: same). This is because fair apportionment is not possible.



## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 5 Tax on loss on ordinary activities

There is no tax charge for the year (2015: £nil) and there is no provided or unprovided deferred taxation.

The differences between the total current tax shown and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax are as follows:

	2016 £'000	2015 £'000
<b>Loss on ordinary activities before tax</b>	<b>(2,086)</b>	<b>(407)</b>
Loss on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 20.0% (2015: 20.4%)	(417)	(83)
Effects of:		
Expenses not deductible for tax purposes	3,855	3,162
Group relief claimed surrendered	(3,438)	(3,079)
<b>Current tax charge for the year</b>	<b>-</b>	<b>-</b>

Corporation tax in the UK is calculated at 20.0% (2015: 20.4%) of the estimated assessable profit for the period. The Finance Act 2013 included provision to reduce the rate of corporation tax from 21% to 20% from 1 April 2015. The Finance Act 2015 included a provision to reduce the rate of corporation tax from 20% to 19% from 1 April 2017 and a further reduction to 17% was included in the Finance Act 2016, to take effect from 1 April 2020.

### 6 Fixed asset investments

	Subordinated preference certificates £'000
<b>Cost and net book value</b>	
At 1 November 2015	123,291
Exchange rate movements	3,901
<b>At 31 October 2016</b>	<b>127,192</b>

On 19 October 2012 NES Global Talent Finance Limited invested in a £2,710,054,000 subordinated preference certificate 2042 issued at an initial price of £155,309,000 and a \$565,397,000 subordinated preference certificate 2042 issued at an initial price of \$32,402,000. The issuer, NES Global Talent Holdco Limited, may redeem these at any time at the GBP redemption price and/or the USD redemption price, as applicable.

The interest accrued on these subordinated preference certificates during the year was £17,369,000 (2015: £15,273,000). Interest accrued at the balance sheet date was £60,581,000 (2015: £41,900,000), reflecting a foreign exchange gain of £1,312,000 (2015: gain of £141,000). The principal on the certificates as at the balance sheet date was £108,573,000 (2015: £108,573,000) and \$22,652,000 (2015: \$22,652,000), equivalent to £18,619,000 (2015: £14,718,000) reflecting a £3,901,000 foreign exchange gain (2015: gain of £531,000).

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 6 Fixed asset investments (continued)

On 25 November 2013, a capital reduction took place whereby the share capital of NES Global Talent Holdco Limited, a subsidiary of the company, was reduced to £1 and its share premium was eliminated. As a result the investment has been impaired to the value of the remaining share capital held of £1.

NES Global Talent Holdco Limited is a company incorporated in England and Wales whose principal activity is that of an intermediate holding company. NES Global Talent Holdco Limited is wholly owned subsidiary of NES Global Talent Limited.

A list of all related undertakings including the name, principal activity and country of incorporation is shown below. The percentage ownership disclosed is the effective ownership. All holdings are in ordinary shares:

Investments held	Principal activity	Country of Incorporation	Percentage ownership
NES Global Algerie SARL Ltd	Provision of technical recruitment agency services	Algeria	49%
NES Global Talent Limitada	Provision of technical recruitment agency services	Angola	100%
NES Global Talent Holdings Limitada	Provision of technical recruitment agency services	Angola	100%
NES Global Pty Ltd	Provision of technical recruitment agency services	Australia	100%
NES Global Technical Consultants Ltd	Provision of technical recruitment agency services	Bangladesh	100%
NES Global Limitada	Provision of technical recruitment agency services	Brazil	100%
NES Global Talent SDN BHD	Provision of technical recruitment agency services	Brunei	100%
NES Global Limited	Provision of technical recruitment agency services	Canada	100%
Sure Flow Oilfield Services Inc.	Provision of technical recruitment agency services	Canada	100%
Sure Flow Consulting Services (1992) Inc.	Provision of technical recruitment agency services	Canada	100%
NES Global Technical Consultants (Shanghai) Co. Limited	Provision of technical recruitment agency services	China	100%
NES Global Talent Egypt	Provision of technical recruitment agency services	Egypt	100%
NES Global France	Provision of technical recruitment agency services	France	100%
NES Global SARL	Provision of technical recruitment agency services	France	100%
NES Global Talent Ltd	Provision of technical recruitment agency services	Gabon	100%
NES Global Limited	Provision of technical recruitment agency services	Ghana	75%
NES Global Limited	Provision of technical recruitment agency services	Hong Kong	100%
NES Global Specialist Engineering Services Private Limited	Provision of technical recruitment agency services	India	100%
PT. NES Global Technical Consultant	Provision of technical recruitment agency services	Indonesia	100%
PT. NES Global Teknik	Provision of technical recruitment agency services	Indonesia	60%
Al Mazaya General Services LLC	Provision of technical recruitment agency services	Iraq	100%
NES Global for General Services Limited	Provision of technical recruitment agency services	Iraq	100%
North Eagle Star for General Services LLC	Provision of technical recruitment agency services	Iraq	100%
NES Global Talent Ltd	Provision of technical recruitment agency services	Ireland	100%
NES Global Talent KK	Provision of technical recruitment agency services	Japan	100%
NES Global Talent LLP	Provision of technical recruitment agency services	Kazakhstan	100%
NES Global Talent for Project Management WLL	Provision of technical recruitment agency services	Kuwait	100%
Global Specialist Engineering Support Solutions Limited	Provision of technical recruitment agency services	Malaysia	100%
NES Global SDN BHD	Provision of technical recruitment agency services	Malaysia	70%

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 6 Fixed asset investments (continued)

Investments held	Principal activity	Country of Incorporation	Percentage ownership
NES Global Talent Recruitment SDN BHD	Provision of technical recruitment agency services	Malaysia	100%
NES Global Talent SDN BHD	Intermediate holding company	Malaysia	100%
NES Global Talent Solutions SDN BHD	Provision of technical recruitment agency services	Malaysia	70%
NES Global Technical Consultants SDN BHD	Provision of technical recruitment agency services	Malaysia	70%
NES Global Talent SDE	Provision of technical recruitment agency services	Mexico	100%
NMEXSTAFF S. DE R.L. DE C.V.	Provision of technical recruitment agency services	Mexico	100%
NES Global Talent Morocco (SARLAU)	Provision of technical recruitment agency services	Morocco	100%
NES Global Mozambique Ltd	Provision of technical recruitment agency services	Mozambique	100%
NES Global Ltd	Provision of technical recruitment agency services	New Zealand	100%
NES Africa Limited	Provision of technical recruitment agency services	Nigeria	100%
NES Global Talent Nigeria Ltd	Provision of technical recruitment agency services	Nigeria	100%
NES Global Management AS	Provision of technical recruitment agency services	Norway	70%
NES Global Talent Holdco AS	Intermediate holding company	Norway	100%
NES Global Talent Norge AS	Provision of technical recruitment agency services	Norway	70%
NES Global Talent Norway Holdings AS	Intermediate holding company	Norway	70%
NES Global Offshore AS	Provision of technical recruitment agency services	Norway	70%
NES Global LLC	Provision of technical recruitment agency services	Oman	70%
NES Global Limited	Provision of technical recruitment agency services	Papa New Guinea	100%
NES Global Talent Sp. Z.O.O.	Provision of technical recruitment agency services	Poland	100%
NES Overseas LLC	Provision of technical recruitment agency services	Qatar	100%
North Eagle Star Recruitment Est.	Provision of technical recruitment agency services	Qatar	100%
NES Global Talent OOO	Provision of technical recruitment agency services	Russia	100%
NES Global Arabia Limited	Provision of technical recruitment agency services	Saudi Arabia	55%
NES Global PTE Limited	Provision of technical recruitment agency services	Singapore	100%
NES Global South Africa PTY Ltd	Provision of technical recruitment agency services	South Africa	100%
NES Global Korea Yuhan Hoesa South Korea	Provision of technical recruitment agency services	South Korea	100%
NES Global Talent S.L.	Provision of technical recruitment agency services	Spain	100%
NES Global Talent Tanzania Limited	Provision of technical recruitment agency services	Tanzania	100%
NES Global Engineering Services Ltd	Provision of technical recruitment agency services	Thailand	100%
NES Global B.V.	Provision of technical recruitment agency services	The Netherlands	100%
NES Global Talent Ltd	Provision of technical recruitment agency services	Trinidad & Tobago	100%
NES Global Limited	Provision of technical recruitment agency services	Uganda	100%
Aim Academy Limited	Provision of services to the Group	UK	100%
Energy People International Limited	Provision of services to the Group	UK	100%
Gateways 2 Travel Limited	Provision of travel services	UK	100%
NES 2 Limited	Dormant company	UK	100%

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 6 Fixed asset investments (continued)

Investments held	Principal activity	Country of Incorporation	Percentage ownership
NES 4 Limited	Dormant company	UK	100%
NES 5 Limited	Dormant company	UK	100%
NES Finance Limited	Provision of finance to the Group	UK	100%
NES Global Engineering Services Limited	Dormant company	UK	100%
NES Global Talent Finco Limited	Provision of finance to the Group	UK	100%
NES Global Talent Holdco Ltd	Provision of finance to the Group	UK	100%
NES Global Talent Holdings Ltd	Provision of finance to the Group	UK	100%
NES Global Limited	Provision of technical engineering consultancy services overseas and holding company	UK	100%
NES Group Limited	Provision of support services for the NES Global Talent Group of companies	UK	100%
NES Holdings Limited	Provision of finance to the Group	UK	100%
NES International Limited	Dormant company	UK	100%
NES IT Limited	Provision of technical recruitment agency services	UK	100%
NES Managed Services Limited	Provision of technical recruitment solutions	UK	100%
NES Office Limited	Provision of technical recruitment agency services	UK	100%
NES Overseas Limited	Company has not traded during the year	UK	100%
NES Overseas 2 Limited	Dormant company	UK	100%
NES Recruitment Limited	Provision of technical recruitment agency services	UK	100%
NES Trustees Limited	Trustee company	UK	100%
NES UK Limited	Provision of technical personnel staffing solutions	UK	100%
NES UK Recruitment Limited	Dormant company	UK	100%
Nesco Holdings Limited	Intermediate holding company	UK	100%
Nestrack Limited	Provision of technical recruitment agency services	UK	100%
North Eagle Star Limited	Provision of services to the Group	UK	100%
Northern Technical Talent Services Limited	Provision of services to the Group	UK	100%
South Star Technical Services Limited	Provision of services to the Group	UK	100%
NES Global Energy Services DMCC	Provision of technical recruitment agency services	United Arab Emirates	100%
NES Global Human Resources Consultancy LLC	Provision of technical recruitment agency services	United Arab Emirates	100%
NES Global Talent Recruitment Services	Provision of technical recruitment agency services	United Arab Emirates	100%
NES Global LLC	Provision of technical recruitment agency services	USA	100%
NES Global Talent Finance US LLC	Provision of finance to the Group	USA	100%
NES Global Talent US Inc.	Provision of finance to the Group	USA	100%
NES Global Technical Consultants Vietnam Ltd	Provision of technical recruitment agency services	Vietnam	100%

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 7 Debtors

	2016 £'000	2015 £'000
Amounts falling due within one year:		
Interest receivable on subordinated preference certificates	60,581	41,900
Amounts owed by group undertakings	1,360	1,192
	<u>61,941</u>	<u>43,092</u>

Amounts owed by group undertakings are interest free and repayable on demand.

### 8 Creditors: Amounts falling due within one year

	2016 £'000	2015 £'000
Unsecured listed A loan notes (see note 9)	60,581	41,900
Unsecured B loan notes (see note 9)	5,004	3,094
Amounts owed to group undertakings	10,993	10,825
Capitalised costs of raising finance (see note 9)	(176)	(176)
	<u>76,402</u>	<u>55,643</u>

Amounts owed to group undertakings are interest free and repayable on demand.

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 9 Creditors: Amounts falling due after more than one year

	2016 £'000	2015 £'000
Unsecured listed A loan notes	127,192	123,291
Unsecured B loan notes	11,059	11,059
Capitalised costs of raising finance	(2,645)	(2,821)
	<u>135,606</u>	<u>131,529</u>

On 19 October 2012 NES Global Talent Finance Limited issued unsecured A loan note instruments totalling £122,704,000. These loan notes were listed on the Channel Islands Stock Exchange on the 11 December 2012. The loan notes are denominated in sterling £108,573,000, and US dollars \$22,652,000. They were issued in five equal tranches for both the sterling and US dollar denominated loan notes. The loan note instruments are due for repayment in 2032 and attract interest at varying rates between 9.5% and 10.5% depending on the tranche of loan. Payment of interest due on the A loan notes can be made in cash, settled by the issue of PIK notes or deferred until any subsequent interest payment date, with the deferred interest being added to the aggregate nominal amount and interest being payable on the new aggregate sum.

During the year, £17,369,000 interest was accrued on the unsecured A loan notes (2015: £15,273,000). No capital repayments were made during the year. The interest accrued on the unsecured A loan notes at the balance sheet date is £60,581,000 (2015: £41,900,000), reflecting a foreign exchange gain of £1,312,000 (2015: gain of £141,000). The remaining principal at the balance sheet date was £108,573,000 and US\$22,652,000 (2015: \$22,652,000), equivalent to £18,619,000 (2014: £14,718,000) reflecting a £3,901,000 foreign exchange gain (2015: gain of £531,000).

On 4 October 2013 NES Global Talent Finance Limited issued unsecured B loan notes instruments totalling £14,337,000. The loan notes attract interest at the rate of 10% per annum and are due for repayment in 2032. Payment of interest due on these B loan notes can be made in cash or deferred until any subsequent interest payment date, with the deferred interest being added to the aggregate nominal amount and interest being payable on the new aggregate sum.

There were no B loan notes redeemed during the year (£3,851,000) and no new loan notes were issued during the year (2015: £692,000). No interest was paid during the year (2015: £6,000), £1,910,000 (2015: £1,103,000) interest was accrued and interest of £nil (2015: £891,000) was released during the year relating to cancelled loan notes. The remaining principal at the balance sheet date was £11,059,000 (2015: £11,059,000) and total interest accrued at the balance sheet date was £5,004,000 (£3,094,000).

The unsecured A loan notes and unsecured B loan notes are stated net of allocated costs of raising finance of £2,821,000 as at the balance sheet date (2015: £2,997,000), of which £176,000 (2015: £176,000) is included in creditors due within one year. During the year £176,000 was amortised to the profit and loss account (2015: £176,000).

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 9 Creditors: Amounts falling due after more than one year (continued)

Borrowings are repayable as follows:

	2016 £'000	2015 £'000
<b>Unsecured listed A loan notes</b>		
Less than one year	60,581	41,900
Between two and five years	-	-
Greater than five years	127,192	123,291
	<u>187,773</u>	<u>165,191</u>
<b>Unsecured B loan notes</b>		
Less than one year	5,004	3,094
Between two and five years	-	-
Greater than five years	11,059	11,059
	<u>16,063</u>	<u>14,153</u>
<b>Capitalised costs of raising finance</b>		
Less than one year	(176)	(176)
Between two and five years	(704)	(704)
Greater than five years	(1,941)	(2,117)
	<u>(2,821)</u>	<u>(2,997)</u>
<b>Total borrowings</b>		
Less than one year	65,409	44,818
Between two and five years	(704)	(704)
Greater than five years	136,310	132,233
	<u>201,015</u>	<u>176,347</u>
<b>10 Called-up share capital</b>		
	2016 £	2015 £
<i>Allotted, called-up and fully-paid</i>		
1,000,451 ordinary shares of £1 each	<u>1,000,451</u>	<u>1,000,451</u>

## Notes to the financial statements (continued)

For the year ended 31 October 2016

### 11 Guarantees and other financial commitments

The company has entered into a joint guarantee and indemnity in respect of bank facilities granted to subsidiaries amounting to £11,075,000 at 31 October 2016 (2015: £3,298,000).

On 3 October 2013, the company entered into a joint guarantee to a credit agreement which granted \$245 million of banking facilities (equivalent of GBP: £201 million) to NES Global Talent Finance US LLC of which £137 million is drawn down at the year end (2015: £114 million).

### 12 Related parties

The company has taken advantage of the exemption available in FRS102 para 33 1A not to disclose transactions with fellow group companies where ownership is wholly owned.

### 13 Ultimate parent company

The directors consider NES Global Talent Limited, a company incorporated in England and Wales, to be the company's ultimate parent company. NES Global Talent Limited is wholly owned by NES Global Talent LP, a Scottish limited partnership, of which the limited partners are funds managed and advised by AEA Investors LP, certain co-investors and management. The general partner of NES Global Talent LP is NES Global Talent GP Limited which is controlled by AEA Management (Cayman) Limited.

NES Global Talent LP is the parent company of the largest group for which financial statements are drawn up. NES Global Talent Limited is the parent company of the smallest company for which group financial statements are drawn up. Both NES Global Talent LP and NES Global Talent Limited financial statements are drawn up as at 31 October 2016. Copies of the financial statements are available from Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP.

### 14 Explanation of transition to FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 31 October 2015 and the date of transition to FRS 102 was therefore 1 November 2014.

No changes to reported numbers were required as a result of the transition to FRS102.