



HARVEY NASH GROUP PLC
ANNUAL REPORT 2017

**HARVEY
NASH**

The Power of Talent

ABOUT HARVEY NASH

Harvey Nash is a global recruitment business. Our unique portfolio of services, from executive search and professional recruitment to offshore solutions, enables us to engage with clients at every stage of the business cycle. Our relationship-based model underpins the delivery of resilient financial results and supports returns to shareholders.

The Group partners with many of the world's leading organisations to source, recruit and manage the highly skilled talent they need to succeed in an increasingly competitive and technology-enabled world.

The Group has the reach and resources of a global organisation whilst fostering a culture of innovation and autonomy that empowers its employees to deliver client-centric solutions.

INTRODUCTION TO OUR BRANDS

Executive Search and Interim Management draw the Group up the value chain and reinforce the senior relationships at the heart of its business model.

Technology Recruitment and Solutions is the largest division, specialising in the provision of highly skilled technical and digital specialists.

Technology outsourcing is represented by the Group's global NashTech brand and includes the Vietnam-based offshore software development and business process outsourcing facilities.



KEY FACTS

81% of placements are into technology roles or into technology companies.

OFFICES

XX

CONTRACTORS

XX

PERMANENT PLACEMENTS

XX

HIGHLIGHTS

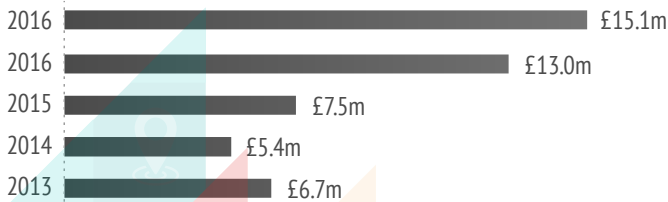
Total dividends per share



Gross profit



Cash generated from operating activities



GROSS PROFIT*

↑ X%

31 January 2017: £xm
31 January 2016: £90.3m

OPERATING PROFIT*

↑ X%

31 January 2017: £xm
31 January 2016: £9.9m

OPERATING CASH

↑ X%

31 January 2017: £xm
31 January 2016: £13.0m

EPS*

↑ X%

31 January 2017: xp
31 January 2016: 9.42p

DIVIDENDS

↑ X%

31 January 2017: xp
31 January 2016: 3.850p

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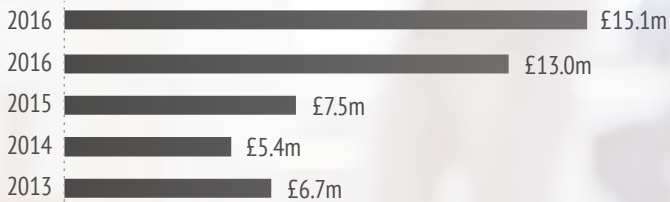
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Consolidated Income Statement

for the year ended 31 January 2017

	Notes	2017 £'000	2016 £'000
Continuing operations			
Revenue		784,328	676,524
Cost of sales		(686,449)	(586,236)
Gross profit	5	97,879	90,288
Administrative expenses		(88,559)	(80,136)
Operating profit before non-recurring items	5,7	9,320	10,152
Non-recurring items	29	(119)	(228)
Operating profit	5,7	9,201	9,924
Finance costs	6	(676)	(849)
Profit before tax		8,525	9,075
Income tax expense	10	(2,206)	(2,240)
Profit for the year from continuing operations		6,319	6,835
Discontinued operations			
Loss from discontinued operations	10,31	(340)	(14,439)
Profit / (loss) for the year attributable to owners of the Company		5,979	(7,604)
Earnings per share from continuing operations			
- Basic	12	8.70	9.42p
- Diluted	12	8.70	9.38p
Adjusted⁽¹⁾ earnings per share from continuing operations			
- Basic	12	8.86	9.73p
- Diluted	12	8.86	9.70p
Earnings per share from continuing and discontinued operations			
- Basic	12	8.23	(10.48)p
- Diluted	12	8.23	(10.44)p

Consolidated Statement of Comprehensive Income

for the year ended 31 January 2017

	2017 £'000	2016 £'000
Profit / (loss) for the year	5,979	(7,604)
Foreign currency translation differences ⁽²⁾	4,669	(220)
Other comprehensive income / (loss) for the year	4,669	(220)
Total comprehensive income / (loss) for the year attributable to owners of Company	10,648	(7,824)

⁽¹⁾ Excludes the impact of non-recurring items.

⁽²⁾ These differences may be recycled into the Consolidated Income Statement if specific conditions are met.

Consolidated Balance Sheet

as at 31 January 2017

	Notes	2017 £'000	2016 £'000
ASSETS			
Non-current assets			
Intangible assets	13	55,074	50,688
Property, plant and equipment	14	3,201	3,583
Investments	16	264	238
Deferred tax assets	10	2,167	1,640
Loans receivable	31	1,976	1,755
		62,682	57,904
Current assets			
Trade and other receivables	17	128,926	127,331
Deferred tax assets	10	794	703
Cash and cash equivalents	18	20,250	18,506
		149,970	146,540
Total assets		212,652	204,444
LIABILITIES			
Current liabilities			
Trade and other payables	19	(133,186)	(129,728)
Current income tax liabilities	10	(2,307)	(1,486)
Borrowings	18	(14,694)	(18,336)
Deferred consideration	30	(171)	-
Provision for liabilities and charges	20	(96)	(145)
		(150,454)	(149,695)
Net current liabilities		(484)	(3,155)
Non-current liabilities			
Deferred consideration		-	(472)
Deferred tax liabilities	10	(159)	(159)
		(159)	(631)
Total liabilities		(150,613)	(150,326)
Net assets		62,039	54,118
EQUITY			
Ordinary shares	21	3,673	3,673
Share premium		8,425	8,425
Fair value and other reserves	22	15,079	15,079
Own shares held	22	(910)	(1,032)
Cumulative translation reserve		6,640	1,971
Retained earnings	23	29,132	26,002
Total equity		62,039	54,118

The consolidated financial statements (Parent Company Number: 03320790) on pages [62] to [90] were approved by the Board and authorised for issue on 26 April 2017 and signed on its behalf by:

Julie Baddeley
Chairman

Richard Ashcroft
Group Finance Director