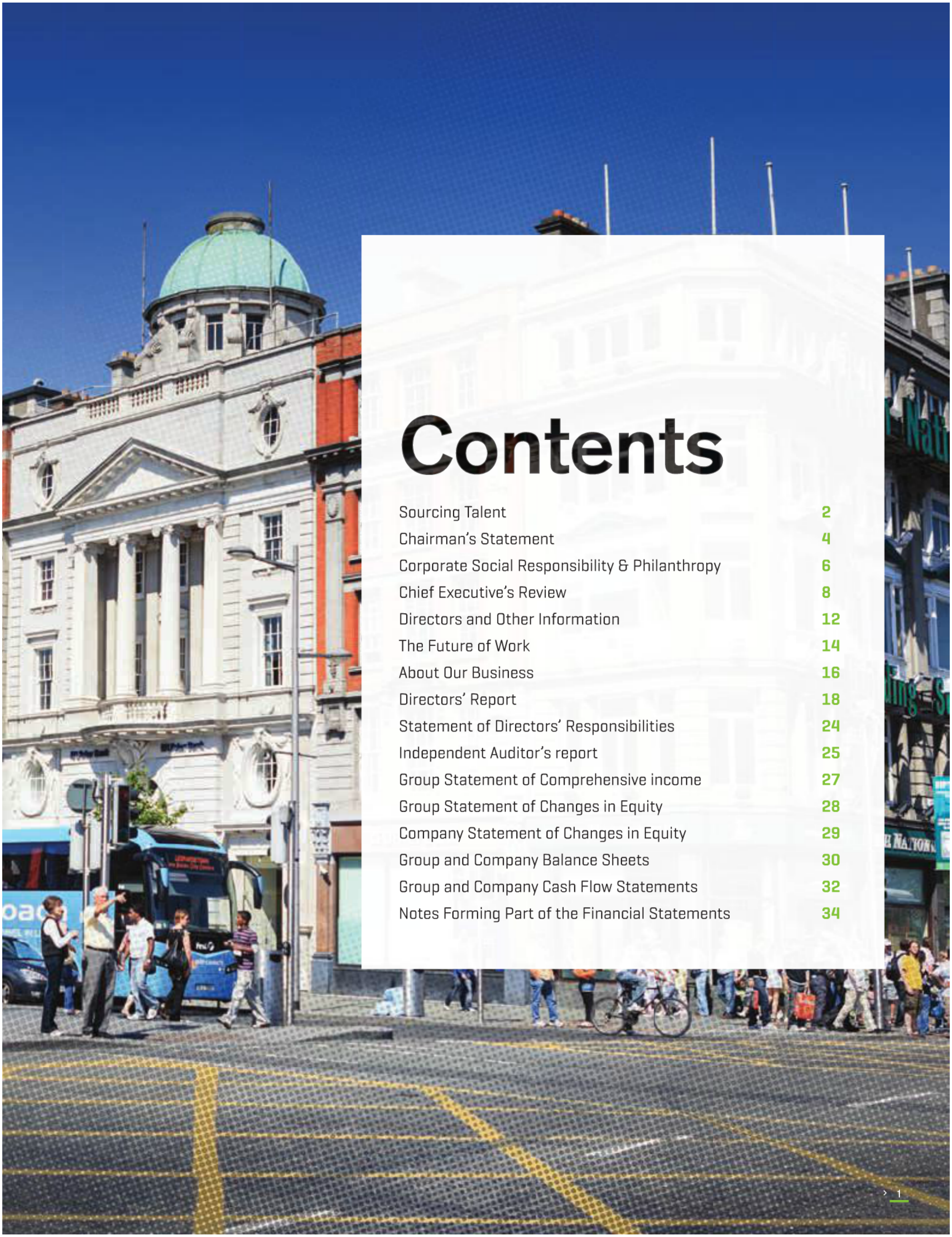
25 years sourcing & nurturing talent

Annual Report **2015**

25 years

Making our mark

Cpl is proud to have reached this milestone year in our organisation’s development. We thank our employees, customers and partners that have kept us in business during the economic highs and lows over the last 25 years.



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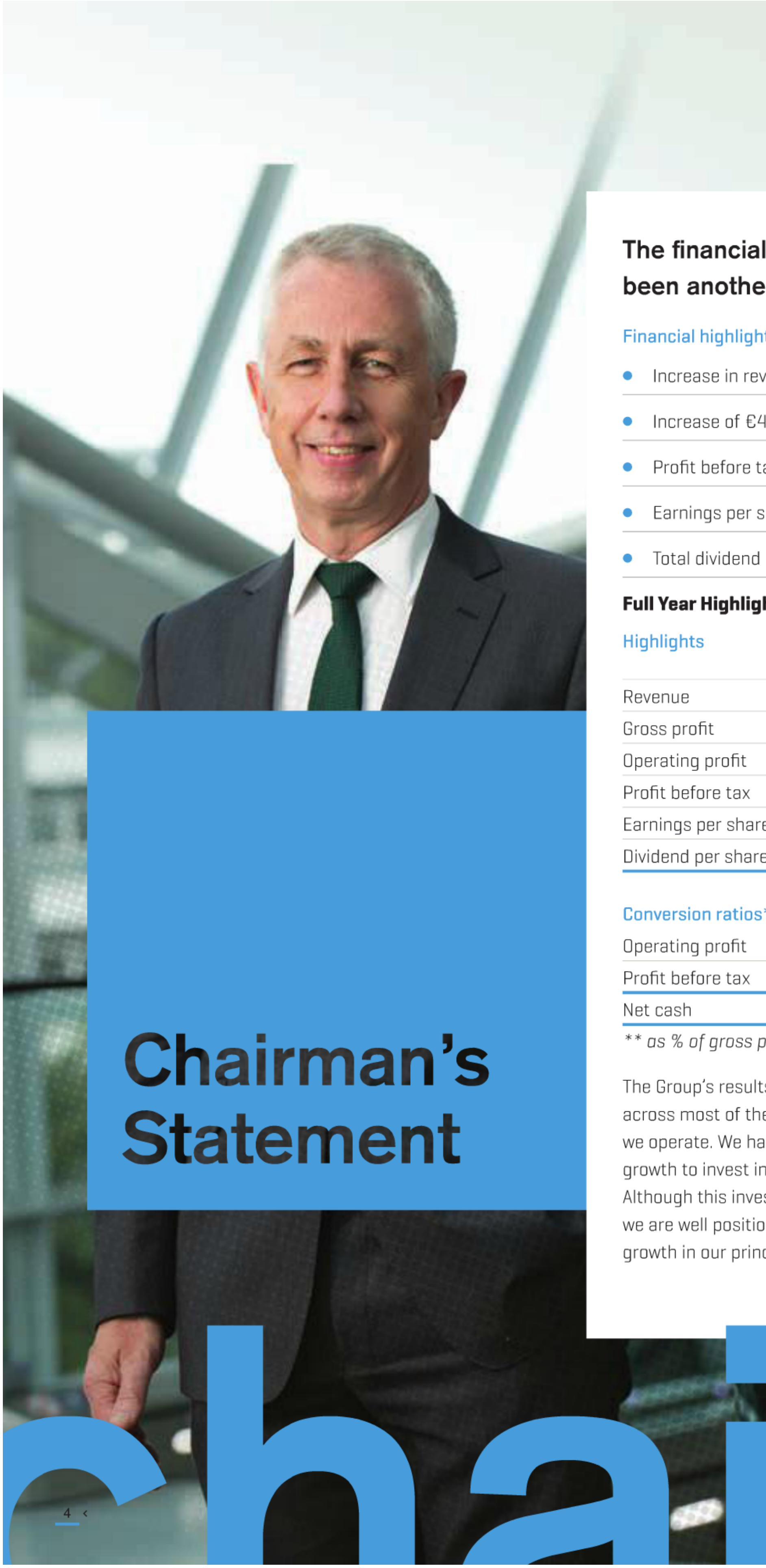
We are early adopters of new technologies and advertising tools which we use to reach and attract the best candidates. Our company website is constantly being enhanced to improve the candidate and client experience, it is ranked as the number one recruitment agency website in Ireland and receives over 98,000 visitors a month. The Cpl database has more than 1 million candidates registered, and receives in excess of 35,000 candidate CV’s each month. We invest in a range of specialist job boards in Ireland, the UK and across Europe. Interestingly out of all these sourcing tools the largest number of applications consistently come through our own website.

25 years sourcing talent

Cpl is an industry leader in social media where we not only manage a number of key local and international forums, we also host specialist seminars for clients to show them how to use the latest on-line tools available. We're regularly producing insights and engaging content which is shared with employers and candidates. This builds our reputation as a thought leader in the industry (employment monitor, salary guide, white papers and award winning blogs). Meaningful partnerships have been developed between Cpl and other organisations like The Irish Times, The Ireland Funds, Business & Finance, WXN, IBEC, SFI, WMB and Newstalk. Cpl's CEO and Senior Business Directors are regularly called upon to provide industry commentary as our business has become a point of reference for market activity relating to the movement and shifts in employment trends and talent acquisition.



Chairman's Statement

The financial year ended 30 June 2015 has been another year of growth for Cpl.

Financial highlights of the Group's performance include:

- Increase in revenue, up 7% to €393.6 million
- Increase of €4.0 million in gross profit to €58.7m
- Profit before tax of €14.1 million
- Earnings per share of 40.2 cent (2014: 40.7 cent)
- Total dividend per share of 9.75 cent (2014: 9.75 cent)

Full Year Highlights

Highlights	2015 €000	2014 €000	% change
Revenue	**393,648**	369,273	7%
Gross profit	**58,667**	54,672	7%
Operating profit	**13,957**	14,217	(2%)
Profit before tax	**14,082**	14,384	(2%)
Earnings per share	**40.2 cent**	40.7 cent	(1%)
Dividend per share	**9.75 cent**	9.75 cent	0%

Conversion ratios**		
Operating profit	**23.8%**	26.0%
Profit before tax	**24.0%**	26.3%
Net cash	**30,475**	30,518

*** as % of gross profit*

The Group's results for the year to 30 June 2015 reflect growth across most of the business sectors and locations in which we operate. We have taken the opportunity presented by this growth to invest in strengthening our team and our systems. Although this investment has reduced our profits for the year we are well positioned to respond to further recovery and growth in our principal markets and sectors.

Economic indicators, including employment trends, are broadly positive in our principal markets. However, we are mindful that we operate in a very competitive industry and that continued growth in our main markets remains sensitive to events affecting the wider European and global economies.

During the year, demand for people in both permanent and temporary roles grew across most sectors. Our fees from permanent placements grew by 16% year on year. In our temporary business we succeeded in reducing downward pressure on margins while delivering growth in both revenues and gross profit.

We maintain a focus on the management of costs in our business, with operating profit ratio of 24% in the financial year. The Group continues to have a strong balance sheet, with net assets in excess of €81 million at 30 June 2015 up from €72 million in the prior year. We ended the year with net cash of more than €30 million at the year end, despite the continued working capital investment needed to fund the growth in our temporary business.

People

2015 marks the 25th anniversary of the establishment of Cpl. From very modest beginnings the Group has become Ireland's leading provider of people and employment services to businesses, and has expanded its operations internationally. Since its inception as a small recruitment agency, the Group has grown by diversifying successfully into a wide variety of business sectors, product offerings and markets. The period from 1990 to 2015 has been marked by a number of economic cycles, including very significant downturns. We have weathered the storms, learned from them and emerged each time with a stronger and more resilient business than before.

During that period we have also made several important acquisitions that have contributed to our growth, and we announce another addition to the Group today. We are pleased to announce the acquisition of Clinical Professionals Limited, a Pharmaceutical and Life Science recruitment company operating in the United Kingdom, and we look forward to working with the management and staff of that company to develop the business and increase our presence in the UK market.

Our record of success over 25 years has been achieved through the extraordinary and sustained commitment and dedication of our people, under the leadership of a highly talented group of executive directors and senior management. I am most grateful to each and every one of the people who, through their ability and exceptional efforts, have contributed to our growth and success over 25 years. I also wish to thank our clients for their support and their loyalty to our business.

Earnings per Share, Dividend & Dividend Policy

Cpl has delivered earnings per share in the twelve months to June 2015 of 40.2 cent. In deciding how to use our free cash flow, the Board continues to prioritise the maintenance of a strong balance sheet, allowing us to be in a position to take advantage of opportunities to invest in further growth, both organically and through acquisition. The Group also has a progressive dividend policy, which reflects underlying earnings growth and the continued strength of the Group's balance sheet.

The Board is recommending a final dividend of 5.0 cent per share. This will bring the total dividend for the year to 9.75 cent per share. The dividend, if approved by the shareholders, will be payable on 2 November 2015 to shareholders on the Company's register at the close of business on the record date of 9 October 2015.

Outlook

Our business is affected by several key variables, including employment and economic trends in our key markets. Current indicators suggest that modest economic growth will continue in these markets, and we expect that these factors, together with the efforts of our people, will allow us to achieve further growth in our business during the financial year to 30 June 2016.

John Hennessy
Chairman
2 September 2015

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Over the last 25 years, at Cpl we have endeavoured to support the local communities in which our candidates, clients, and employees live. Our support encompasses a financial donation, skill sharing and staff volunteering. To guarantee we use our resources effectively we have developed partnerships with a number of organisations.

Cpl participates in a number of educational initiatives. We have been associated with Junior Achievement Ireland (JAI) for a number of years. Their programmes prepare young people to enter the workforce and train school children to become the next generation of business leaders and educate them about basic financial management and responsibility. JAI is currently working with 600 schools nationwide. The Junior Entrepreneur Programme (JEP) is an entrepreneurial education programme for primary school pupils, with the aim of fostering and nurturing an entrepreneurial culture. Cpl is the JEP county partner in Longford. These programmes have a significant personal development impact on participating pupils, building confidence, self-awareness and self-esteem, and an appreciation of individual skills and talents in the future workforce. Cpl also works with the Science Foundation of Ireland going out into the community talking to secondary school students about the merits of a career in life sciences, encouraging students to study STEM (science, technology, engineering and mathematics) subjects.

Cpl also does a lot of work with the unemployed to upskill them and has partnerships with EPIC (Employment for People from Immigrant Communities), The Momentum programme (Momentum is an initiative which provides education and training to assist long-term unemployed people upskill so they can get back to work) and Jobcare where Cpl staff support the unemployed with interviews, CV workshops and just as importantly with their own confidence to help them get back into the workforce.

With the recent growth in the Irish economy, Cpl has been extending our message to the diaspora encouraging them to return to Ireland to progress their careers. This campaign is supported by our successful partnerships with the Start-up Gathering, the Dublin Globe and Generation Immigration in the Irish Times. As part of this growing initiative we have been partnering with the Ireland Funds for the last four years. They are a philanthropic organisation dedicated to supporting programs of peace and reconciliation, arts and culture, education and community development throughout the island of Ireland. Both our financial support and our voluntary contribution has enhanced the security of a number of charities who have survived through the downturn and kept communities and families empowered to live a more enriched life.

Sustainability is embedded within the Group's procurement activities and this ensures that potential environmental impacts are given due consideration when purchasing decisions are being made.

Over the 25 years Cpl has sponsored employees and given them paid time off to do such charity adventures as running across the Sahara, cycling through the Alps and climbing the top peaks of Ireland as well as cake sales, charity gym challenges and denim days for local deserving charities. Cpl prides itself on the employment and promotion of a diverse workforce and is pleased to be associated with the equality work force awards. In the June 2015 equality referendum all staff who had to travel home to vote were given paid time off. This together with all of our initiatives exemplifies the culture in Cpl which we think had an impact on our company being recognised as one of the Best Places To Work in 2015.

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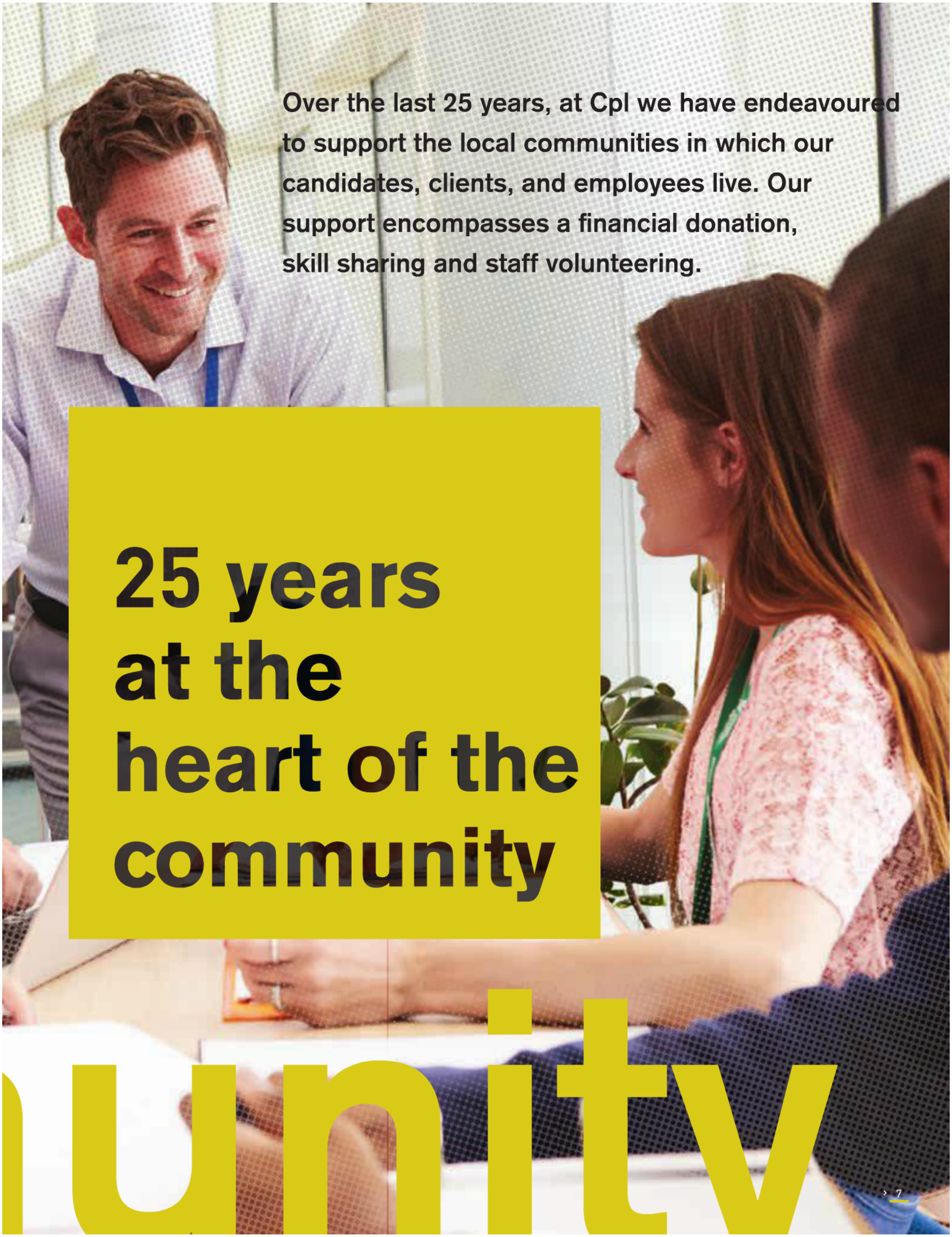
Over the last 25 years, at Cpl we have endeavoured to support the local communities in which our candidates, clients, and employees live. Our support encompasses a financial donation, skill sharing and staff volunteering.

25 years at the heart of the community



Chief Executive's Review

This year Cpl celebrates our 25th year of finding the best talent for our clients and the best jobs for skilled people. Over the last 25 years the scale and pace at which we operate has changed significantly although the fundamental challenge for our clients is still the same – how to attract and retain top talent. Today we operate from 36 offices in nine countries finding the best talent for clients. A measure of our success is the increase in revenue and the repeat work we get from our valued clients. I am pleased to report that in the year to 30 June 2015 we increased our revenue by €24.4 million to €393.6 million, an increase of 7%, and gross profit by €4.0 million to €58.7 million, also an increase of 7%. Our operating profit is €14.0 million, down from €14.2 million the previous year. In the first half of our financial year we made a number of investments, expanding the Hub in Krakow, new head office facilities and upgrading some of our systems. Our operating profit in the second six months is up 34%.

The Irish Labour market continued to improve during 2014. Employment increased by 33,000 (annual average) and the employment rate increased by 1.2% to 61.7% with 1.91 million people in employment. The increase in employment was broadly based on 11 out of 14 economic sectors recording gains. The largest increases were recorded in the construction and financial (including real estate) sectors which accounted for just over half of all jobs created. Momentum has continued into 2015. The number of people employed grew by 1% quarter on quarter in Q2 2015, one of the fastest rates of growth since the start of the recovery. The unemployment rate dropped to 9.5% in July 2015, its lowest level since December 2008. While this is encouraging, there is still a long way to go to reach full employment. We are now seeing a two speed labour market where there are shortages of highly skilled professionals in certain sectors and a high rate of unemployment still persisting across certain parts of the labour market. Many of the skills shortages are in sectors where Cpl has a strong presence such as ICT, Healthcare, Pharmaceutical and Finance. Companies in these sectors are looking internationally for talent. In the first 9 months of 2014 approximately 4,100 new employment permits were issued in Ireland, an increase of 34% on 2013.

The increase was mostly due to an increase in the number of permits issued to IT workers, but also due to the reintroduction of medical employment permits. The IT sector accounted for 43% of all new employment permits issued in 2014, with a further 25% issued to the healthcare sector.

In May 2014 Cpl opened a sourcing hub to locate people with hard to find skills for our clients. We have 13 recruiters employed in the hub and we are seeing positive results from their search efforts. The sourcing hub gives us a competitive advantage when designing solutions for clients who have difficulty accessing scarce skills or who need to hire teams rapidly.

Financial Highlights

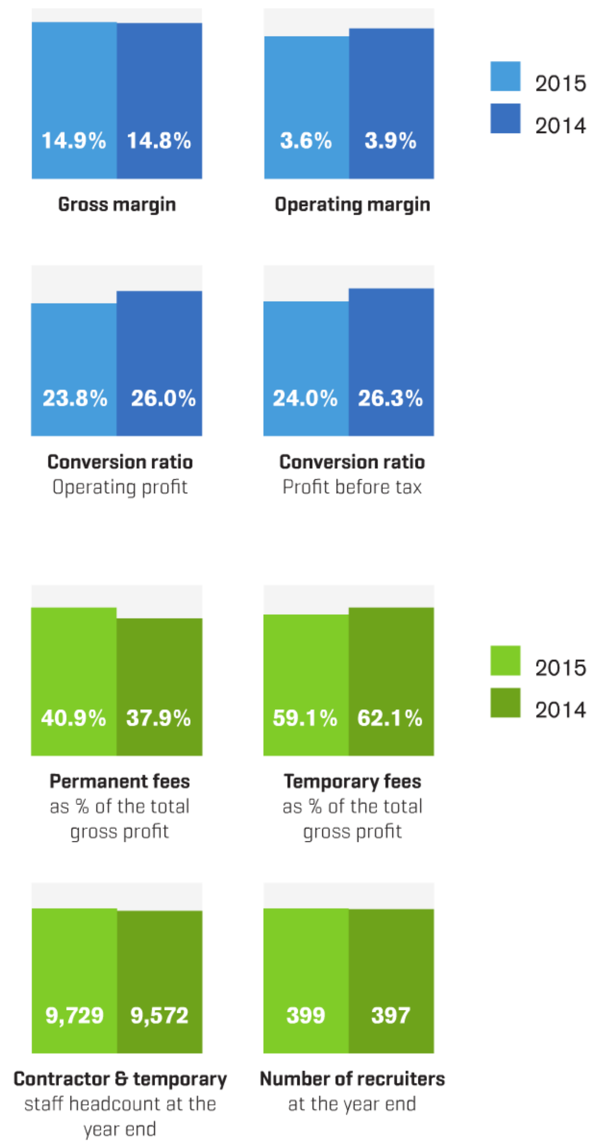
The Group increased its revenue by 7% to €393.6 million in the year to 30 June 2015 *(2014: €369.3 million)*. Gross profit increased by 7% to €58.7 million *(2014: €54.7 million)*. The Group's gross margin was 14.9% *(2014: 14.8%)*. Our operating profit is €14.0 million *(2014: €14.2 million)*. Profit before tax is €14.1 million *(2014: €14.4 million)* and our earnings per share was 40.2 cent *(2014: 40.7 cent)*.

Our operating expenses were €44.7 million, 11% higher than last year. The majority of our cost base, circa 73%, is staff related costs. As previously mentioned we invested in the first six months and our improvement in gross profit and operating profit in the second half of the year reflects this investment. Gross profit was up €2.2 million to €30.4 million in the second half and operating profit was up €2.0 million to €8.0 million including foreign exchange movements.

Our balance sheet is strong. At 30 June 2015 our net cash balance was €30.5 million, notwithstanding the investment in working capital required to grow our revenues by €24.4 million. Our largest asset is our trade and other receivables which grew to €81.8 million in the year to 30 June 2015 from €70.0 million in the year to 30 June 2014. Our track record for debtor collections over the years has been consistently good with minimal bad debts. This is as a result of our blue-chip client base as well as the diligent monitoring of outstanding debtor balances.

We paid our shareholders an interim dividend of 4.75 cent per share. The Board is recommending a final dividend of 5.0 cent per share for the year to 30 June 2015. The total dividend per share for the year is 9.75 cent.

Key Performance Indicators



Chief Executive's Review (continued)

Our gross margin was 14.9% in the year to 30 June 2015. We are starting to see margin pressure in our temporary business level off. We remain focused on restructuring how we deliver to these customers in order to drive efficiency and maximise returns. Permanent fees increased by 15.8% to €24.0 million. Gross profit from permanent placement accounts for 40.8% of the total gross profit.

Our conversion rate of gross profit to operating profit is one of our key performance metrics in the Group and was 23.8% in 2015.

Operations Review

Cpl is a leader in the provision of specialist recruitment and outsourcing services. Our capability spans the entire employment lifecycle and includes permanent, temporary and contract recruitment, workforce management, training and outplacement. We have a broad and diverse range of customers from market-leading multinationals to small and medium enterprises.

Our recruitment business operates through distinct specialist brands in a wide range of sectors including technology, accounting and finance, healthcare, pharmaceutical, sales, engineering, light industrial and office administration.

Our managed services and outsourcing business assumes accountability for selected business process on behalf of clients. Cpl brings value to our clients by creating measurable improvements and cost savings in areas that are viewed as non-core to our clients. Our main service offerings are: Contact Centre Outsourcing, Recruitment Process Outsourcing (RPO) and HR Consulting Services (which includes outplacement).

Permanent Placement

Our permanent placement business had a successful year to 30 June 2015. Permanent fee revenue increased by 15.9% to €24.0 million *(2014: €20.7 million)*. Leading contributors to growth were our international businesses, particularly our healthcare business.

Our permanent placement business in Ireland performed well against a positive backdrop in job creation in both indigenous companies and foreign owned companies. The IDA had a record year in 2014 with one of the highest net levels of job creation in a decade. Circa 15,000 new jobs were created with IDA client companies. When job losses were taken into account the net increase in employment was 7,131. The indigenous sector also recorded a strong performance in 2014.

Jobs data for 2015 suggest continuous improvement in employment growth particularly in full-time jobs. Cpl is continuing to selectively add to our teams in certain sectors to support growth in permanent placement fees.

Temporary Staffing

Cpl provides temporary and contract staff to a large number of clients at any one time. We finished the year with 9,729 people working on behalf of Cpl on client projects, an increase of 157 on the previous year.

Revenues generated from temporary assignments in the year to 30 June 2015 were €369.3 million *(2014: €348.5 million)* representing 6.0% growth. We generated €34.7 million gross profit, 2.1% higher than the year to June 2014. In prior years, margin erosion has been a challenge in our temporary business, but seems to be stabilising in this year.

Historically, temporary and flexible staffing has been utilised more for lesser skilled roles. In Cpl, we are seeing greater demand for flexibility in professional specialist roles, for example in the technology, pharmaceutical, financial services and healthcare industries. This demand is driven both by the highly skilled individual who wants choice and flexibility and by our clients who see the advantage of using temporary and flexible staffing. This gives client's access to skilled talent on-demand particularly for project based work and adds a variable cost component to a client's otherwise fixed labour costs.

Overseas Business

Our international divisions, particularly healthcare, had a strong performance in the year to 30 June 2015. Demand for doctors, nurses and allied health professionals remains high. Our business in Central and Eastern Europe also had some significant client wins. 23.1% of our fees now come from outside Ireland and we have 36 offices in nine countries.

Strategy

During the year we conducted a review of the Group's strategy. The review confirmed that Cpl's strategic goals are appropriate to meeting current and future market opportunities.

Our primary goal is to build a profitable cash generative business with good predictability of earnings. We will do this by continuing to extend our leading position in specialist recruitment and by building a balanced business mix therefore avoiding overdependence on any one service, sector or geography. We will focus mainly on organic expansion, while using selective acquisitions to build platforms in new sectors or markets with good long term potential. Cpl's acquisition of Clinical Professionals Limited is a good example of an acquisition which gives us a platform for growth in the UK.

Acquisitions

On 2 September 2015, Cpl acquired Clinical Professionals Limited, a leading UK based Pharmaceutical and Life Science recruitment company. Cpl acquired 89.8% of the business and 63.5% (€5.1 million) of the potential total consideration payable was paid at completion. The balance is contingent on certain earn out targets being achieved. Clinical Professionals' clients include global leaders in pharmaceutical development and clinical research, whilst their expertise encompasses a wide remit of life science job sectors, including dedicated teams within clinical research, drug safety and pharmacovigilance, medical communications, QA/QC, regulatory affairs and medical affairs. The Pharmaceutical and Life Science sectors are an important growth opportunity for Cpl. This acquisition complements our existing successful Pharmaceutical Recruitment business in Ireland and gives us a platform for growth in the UK. The company has offices in both Reading and London.

People

It is undoubtedly talented people who drive businesses. I would like to thank our talented and dedicated employees for their commitment to delivering for our candidates and clients. I am delighted to welcome those people who joined Cpl during the year. I also want to thank our loyal customers for their partnership and support during the year.

Outlook

We have a strong business model with an excellent client base and highly skilled employees as well as a history of financial and operational success. Our priorities for 2016 will be to stay focused on growing our net fee income and profit before tax while expanding our footprint in the UK and internationally.

Economic data indicates that the Irish economy is growing at a rate of approximately 5%. Employment growth was strong in the past year although we are seeing skills shortages in certain sectors. We believe we have the opportunity to grow further in Ireland as demand for skilled talent intensifies. Our performance in Cpl improved in the second half of the year to 30 June 2015 and while we have limited visibility, particularly in our permanent placement business, we believe our recent investments position us well for the future.

Anne Heraty
Chief Executive Officer
2 September 2015

Directors & Other Information

1 PAUL CARROLL
(Business Development Director)

Paul Carroll is Business Development Director of Cpl Resources plc. His expertise combines 10 years in HR practice, working for companies such as KPMG, Intel, Gateway and ARI with an additional 18 years in recruitment with Cpl. A graduate from Maynooth NUI in Physics and Maths in 1985, he holds a Higher Diploma in Education. Paul worked as a HR management consultant in KPMG for 5 years before joining the senior management team in Gateway 2000 to establish their HR function. Paul Carroll entered into service agreements dated 22 June 1999 with the Company in respect of his appointment as executive director.

2 GARRET ROCHE
(Executive Director)

Garret joined the Cpl Group in December 1995 as an IT Contracts Recruiter. He was a key member of the start-up team that established the Cpl Solutions IT contracting business. Garret is a graduate member of the CIPD, holds an Advanced Diploma in Human Resource Management from the Dublin Institute of Technology, a graduate in Business Studies from the Institute of Technology Dundalk and holds a Diploma in Services Marketing from the Institute of Technology Carlow. Prior to joining the Group, Garret worked as a recruiter for over 3 years specialising in Sales and Marketing appointments. Garret entered into service agreements dated 22 June 1999 with the Company in respect of his appointment as executive director.

3 MARK BUCKLEY*
(Chief Financial Officer)

Mark Buckley is Chief Financial Officer of Cpl Resources plc having joined in 2013. Mark Buckley entered into service agreements dated 22 July 2013 with the Group. Mark is an experienced CFO and private equity investment director of both public and private companies with over 12 years' experience at CFO and Board level. Mark is a Fellow of Chartered Accountants Ireland and most recently Mark was Head of Strategic Investments Group at Ulster Bank.

4 ANNE HERATY
(Group Chief Executive)

Anne Heraty is Chief Executive of Cpl Resources plc. A publicly quoted company, it provides recruitment and outsourcing services across a range of disciplines and sectors offering specialist labour market knowledge and expertise in each sector. Anne established Cpl in 1989 and has played a key role in developing it to become Ireland's leading employment services company. Anne holds a BA degree in Mathematics and Economics from University College Dublin. Anne Heraty entered into service agreements dated 22 June 1999 with the Company in respect of her appointment as executive director.

SECRETARY
Wilton Secretarial Limited (Secretary)
Sixth Floor,
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Dublin 4

REGISTERED OFFICE
83 Merrion Square,
Dublin 2

AUDITOR
KPMG, Chartered Accountants,
1 Stokes Place,
St. Stephen's Green,
Dublin 2

PRINCIPAL BANKERS
AIB plc, 62, St. Brigid's Road,
Artane, Dublin 5

SOLICITORS
William Fry, Sixth Floor,
2 Grand Canal Square, Dublin 2

REGISTRARS AND PAYING AGENTS
Computershare Investor Services
(Ireland) Limited,
Heron House, Corrig Road,
Sandyford Industrial Estate,
Dublin 18

UK PAYING AGENTS
Computershare Investor Services plc
The Pavilions,
Bridgewater Road,
Bristol, BS99 6ZZ, England

5 JOHN HENNESSY
(Non-Executive Chairman)

John Hennessy, Chairman, has been a member of the Board of Cpl Resources plc since 1999, and is a member of the Audit Committee and of the Nomination and Remuneration Committee. He is a practising Barrister, a Chartered Accountant and a Chartered Director. He is also non-executive Chairman of Dalata Hotel Group plc and a non-executive Director of a number of other companies, including H & K Global Systems. John Hennessy entered into an engagement letter dated 22 June 1999 with the Company in respect of his appointment as non-executive director.

6 OLIVER TATTAN**
(Non-Executive Director)

Oliver Tattan joined Cpl Resources plc in December 2007. He is a founder of Insurance Regulatory Capital, an asset manager, and founder of two health insurers. He previously held the role of Chief Executive at VHI Healthcare. He is also a member of the Nomination and Remuneration Committee. Oliver Tattan entered into engagement letters dated 1 December 2007 with the Company in respect of his appointment as non-executive director of the Company.

7 BREFFNI BYRNE***
(Non-Executive Director)

Breffni Byrne joined the Board of Cpl Resources plc in December 2007. He is chairman of Aviva Life & Pensions Ireland Limited and Tedcastles Holdings and is a non-executive director of Citibank Europe plc, Hikma Pharmaceutical plc, and a number of other companies. A Chartered Accountant, Breffni was formerly Practice Director of Andersens Audit and Business Advisory Practice in the Middle East, India, Africa and the Nordic countries. Breffni Byrne entered into an engagement letter dated 1 December 2007 with the Company in respect of his appointment as non-executive director of the Company.

* The CFO is not a Director of the Company
** Chairman of the Nomination and Remuneration Committee
*** Chairman of the Audit Committee and Designated Senior Independent Director

25 years Looking forward

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After 25 years as an industry leader Cpl is well placed to comment on the changes taking place in business. Earlier this year we established the Future of Work Institute to examine the trends occurring in the workplace.

Some of the key issues that we investigated were the changes in technology, the workplace itself and employer branding and how these changes will be critical in how we attract and retain staff in the future.

People will be at the centre of the future brand strategy. Work itself is being transformed, it is no longer a thing we do but a place we go. This will bring about a number of positive benefits to the workplace and employees. There will be more of a focus on productivity, innovation, work-life balance and diversity as companies strive to keep up with the rate of change. New technology offers unprecedented opportunities for organisations to establish a competitive advantage. It has already facilitated major disruption in the retail industry (Amazon, eBay), taxi services (Uber, Hailo) and broadcast television (through on-demand services like Netflix).

We understand that diversity is another important factor to a successful future business, and we produced a white paper outlining the compelling business cases for gender diversity in organisations using the latest research and case studies. Increasing the female ratio is becoming a key driver for many large organisations specifically those within the technology and engineering sectors. Companies are understanding the challenge of unconscious bias and how we are all inclined to make unconscious assessments of people based on perceived differences. This can deprive organisations of the diversity that has been proven to help with better ideas and more innovation.

At the heart of all this change is talent. This is driving the transformation taking place across businesses and industries. At Cpl, talent is what we do best, and so we are well placed to comment on such shifts. Companies are casting their net worldwide for the best talent. Hiring from around the world and hiring remotely. With the economy making vast improvements this year there has been a significant focus on bringing our friends and family home. With this objective in mind we launched the 'Coming Home campaign' in December 2014 and the #abhaile campaigns in Summer 2015.

Ensure you are prepared for the future, embrace technology and investigate remote working, look at how your brand is being perceived but most importantly make the most of your best people. Listen to them, keep them engaged and encourage innovation. The benefits of which will radiate out into all areas of your business and bring you future success.

25 years Developing What we do

RECRUITMENT

Cpl is a recognised leader in specialist temporary, outsourcing and permanent recruitment, employing 550 people permanently across 36 offices in 9 Countries. In 2014 we managed over 9,000 people on behalf of our clients on their sites. Our principal activities cover many sectors including: **Technology**, **Sales**, **Marketing**, **Science**, **Engineering**, **Supply Chain**, **Healthcare**, **Pharmaceuticals**, **Light Industrial**, **Retail**, **Human Resources**, **Multilingual**, **Customer Services**, **Hotel & Catering** and **Manufacturing**. The companies operating within the recruitment side of the Cpl Group are; Cpl Resources plc, Cpl Northern Ireland, Cpl Jobs International, Careers Register, Flexsource, Thornshaw, Techskills and Servisource. Our business is based on matching the capabilities of our candidates and employees with the changing needs of our clients.

HEALTHCARE

With over 20 years' experience in healthcare recruitment and training, our healthcare division boasts a highly recognisable brand in both domestic and international markets. Cpl's healthcare division is comprised of the following companies: **Cpl Healthcare**, **Kate Cowhig International Healthcare Recruitment**, **myhomecare.ie** and **Private Homecare**. Our healthcare division provides permanent and temporary recruitment across a number of categories including: Nursing, Healthcare Assistants, Allied Health, Social Care, Doctors, Midwives, Pharmacy, Homecare, Medical Sales and Training. We are committed to undertaking a partnership approach with our clients across both private and public sectors.

As a company, we're only as good as the people we work with, which is why we only work with the best – the best clients, the best employees, the best partners – all to offer our candidates the best jobs. As we see it, our job is to find our clients the best candidates and to find our candidates the best jobs. And for both those reasons, we're the best people for the job. We do this through the following Cpl brands:

LEARNING & DEVELOPMENT

Cpl Learning and Development provides a diverse range of training and structured work placement initiatives for people to re-train. Cpl Learning & Development boasts 21 years of market-leading experience, which gives us a unique insight into the Irish employment landscape and allows us to identify where the skills shortages lie. Our FETAC accredited training programmes have been developed in collaboration with the industry, therefore meeting the current needs of employers and giving sustainable advantages to job seeking participants. **Careers Consultants** is our business which provides services in human resources, psychometric assessment, competency based interviewing skills for interviewers and interviewees and outplacements in both the public and private sector.

cpl. Learning & Development

The cpl. Institute

Career consultants

OUTSOURCING

This division provides customer service & back office solutions to the **Technology**, **Banking**, **Insurance** and **Pharmaceutical** Industries. We deliver quality outcomes for our clients under structured Service Level Agreements [SLAs] to achieve a successful outcome for the customer. Our approach is to grow our business in areas that require multilingual, technical or professional skills, and have a regulatory or other obligation to achieve high quality standards. Cpl's outsourcing division offers proactive and efficient talent acquisition and management solutions to unlock the value of our client's workforce, increase productivity, reduce turnover and maximise profitability.

cpl. Integrated Services

cpl. Outsourcing

interaction

Directors' report

The directors present their Annual Report and audited consolidated and Company financial statements for the year ended 30 June 2015.

Principal activities, business review (including principal risks and uncertainties) and future developments

Cpl Resources plc is the leading Irish employment services organisation, specialising in the placement of candidates in permanent, temporary and contract positions and the provision of human resources consultancy services. The Group's principal activities cover the areas of: technology, accounting and finance, sales, engineering, light industrial, healthcare/pharmaceutical and office administration. Cpl Resources plc is the holding company for the Group's thirty five subsidiaries which are detailed in note 13.

The directors are satisfied with the performance of the Group and are committed to improving the performance of the Group by growing revenue and profitability.

The directors consider the principal risks and uncertainties the Group faces to be as follows:

- The performance of the Group has a very close relationship with and dependence on the underlying growth of the economies of the countries in which it operates.
- The Group continues to face competitor risk in the markets where the provision of permanent and temporary recruitment is most competitive and fragmented. There is strong competition for clients and the Group faces pricing and margin pressures in its temporary business across its major specialist activities.
- The Group faces a number of industry risk factors in a competitive environment, notably the increasing use of social media.
- The Group is not overly reliant on any single key client. However, if the Group were to lose a number of large accounts simultaneously, there would be a temporary negative profit impact.
- The Group is always subject to the risk that a large customer might default on its payments.
- The Group relies heavily on its information systems to store, process, manage and protect large amounts of financial, candidate and client information. If it fails to properly develop and implement technology the business could be harmed.
- As employment laws are changed they bring with them new risks and opportunities. The temporary market is more heavily regulated and changes in legislation (e.g. changes to temporary worker rights) may impact the Group's profitability.
- As the Group increases its international activities, it will be exposed to a number of risks that it would not face if it conducted its business solely in Ireland. Any of these risks could cause a material negative effect on the Group's profitability. Such risks include less flexible labour laws and regulations, foreign exchange fluctuations, and difficulties staffing and managing foreign offices as a result of distance, language and cultural difference.
- The Group has acquired several companies and it may continue to acquire companies in the future. Entering into an acquisition entails many risks, any of which could harm the Group's business, including diverting management's attention away from the core business and failing to successfully integrate the acquisitions.
- Cpl's success depends on its ability to attract and retain key management and recruitment consultants. Loss of a team or key members of a team could disrupt the business.

The directors believe that these risks are managed as follows:

- Cpl management monitor economic developments to ensure that they can react quickly to any changes that may have an impact on the business. Management are also aware of the need to ensure that the business can be scaled in line with economic developments. Management prepare rolling forecasts to ensure that they have as much visibility as possible on the impact economic events may have on the performance of the business.
- Management actively manage cash collection, working capital days and customer payment terms to ensure all debtor accounts are paid within agreed terms.

Directors' report (continued)

- The Group's cost base is highly variable and is carefully managed to align with business activity. The Group is highly cash generative, requiring low levels of asset investment.
- The Group monitors changes in the market in terms of industry trends, including social media and continues to invest in its online presence to provide a high quality customer experience.
- Management continue to work closely with the Group's clients to ensure a quality of service that will differentiate the Group from its competitors and thus minimise the risk of losing business to a competitor.
- The Group continually monitors the performance and robustness of its IT suppliers and systems to ensure business-critical processes are safeguarded as far as it is practicably possible. The Group has put in place clear governance structures to review project status when replacing certain key operational and financial systems, ensuring that the necessary specialist resources are available and that a clear project management process is followed.
- The Group continues to build a strong multi-disciplined management team. The Group adds resources and specialties to ensure that we have the organisational capacity to identify and integrate acquisitions and optimise organic growth opportunities.
- The Group continues to invest in our people and our brand to ensure we become the number one provider of talent delivery solutions in the markets in which we operate.
- The Group spreads our cash deposits across a variety of institutions and locations in order to minimise credit risk.

Key performance indicators that are focused on by management include:

- Management review team productivity including monitoring average fees per consultant and activity levels. Management also monitor average margins achieved per team and sector. The objective to increase the Group's average margins has been set as the primary KPI for the senior team this year.
- Management review the number of temporary employees placed with the Group's clients. The number of new starters and leavers are reviewed on a weekly basis. Management also review all margins to try to limit margin erosion.
- Management prepare rolling forecasts to evaluate performance against budget and to evaluate any impact external economic factors may be having on the profitability of the business.
- Management monitor debtor days to ensure the Group remains cash generative and maximises its cash balances.
- The quality and range of services delivered to clients is critical to Cpl's success. As part of the Group's performance improvement plan, new service quality targets were implemented focusing on both client and candidate needs. The Group continues to increase client satisfaction levels, which are independently measured, and to experience a high level of repeat business.

Financial risk management

Details of the Group's financial risk management policies are outlined in Note 23 of the financial statements.

Results and dividends

The Chief Executive's review on pages 8 to 11 contains a comprehensive review of the operations of the Group for the year. The audited financial statements for the year are set out on pages 27 to 67.

Operating profit for the year ended 30 June 2015 amounted to €14.0 million *(2014 : €14.2 million)*. The profit after tax for the financial year ended 30 June 2015 amounted to €12.3 million *(2014 : €12.4 million)*. Basic and adjusted fully diluted earnings per share for the year amounted to 40.2 cent *(2014 : 40.7 cent)*.

An interim dividend of 4.75 cent per share *(2014 : 4.75 cent)* was paid during the year. A final dividend of 5.0 cent per share *(2014 : 5.0 cent)* is proposed by the directors. No further dividends or transfers to reserves are recommended by the directors.

Shareholders' equity at 30 June 2015 amounted to €82.0 million *(2014 : €72.8 million)*.

Directors' report (continued)

Directors and secretary and their interests (and those of their spouses and minor children)

There were no changes in directors or secretary during the year.

The directors and secretary who held office at 30 June 2015 had no interests other than those shown below in the shares in the Company or Group companies.

	No. of shares 30 June 2015	No. of shares 1 July 2014
Shares in Cpl Resources plc		
Ordinary shares of €0.10 each		
Anne Heraty *	**9,195,280**	9,195,280
Paul Carroll *	**1,833,819**	1,833,819
John Hennessy	**102,606**	102,606
Breffni Byrne	**8,209**	8,209
Garret Roche	**21,871**	21,871
Oliver Tattan	**-**	-
Wilton Secretarial Limited (Secretary)	**-**	-

* *Anne Heraty and Paul Carroll are husband and wife.*

There have been no changes in the interests of the directors, the secretary and their families in the share capital of the Company between 30 June 2015 and 30 June 2014.

One director Garret Roche was awarded 50,000 Long Term Incentive Plan awards during the year ended 30 June 2014, with a vesting date of 26 February 2017. No awards were awarded, exercised, forfeited or vested in the year. Other than as disclosed above, as described in note 25 and under the directors' service agreements referred to on pages 12 and 13, none of the directors had a beneficial interest in any material contract with the Company or any of its subsidiaries during the year ended 30 June 2015.

Significant shareholdings and share price

At 30 June 2015, A. Heraty and P. Carroll together held 36.1% *(2014 : 36.1%)* of the share capital of the Company.

During the year, the highest and lowest share prices were €7.10 and €5.18 respectively. At year end, the share price was €5.60.

Post balance sheet events

On 2 September 2015, the Group acquired an 89.78% stake in Pharma Professionals Limited ("PPG"). PPG is the parent company of Clinical Professionals Limited a leading UK based Pharmaceutical and Life Science recruitment company. 63.5% (€5.1 million – based on exchange rates as at 2 September 2015) of the potential total consideration payable was paid at completion. The balance is contingent on certain earn out targets being achieved.

Political donations

The Group made no political donations during the year *(2014 : €nil)*.

Accounting records

The directors believe that they have complied with the requirements of Section 281 of the Companies Act 2014 with regard to maintaining adequate accounting records by employing personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at the Company's premises at 8 - 34 Percy Place, Dublin 4.

Corporate governance

Principles

The Board of Cpl Resources plc is firmly committed to business integrity, high ethical values and professionalism in all its activities and operations. It is therefore committed to maintaining the highest standards of corporate governance. As an Enterprise Securities Market 'AIM/ESM' listed company, Cpl Resources plc is not required to comply with the principles and provisions of the UK Corporate Governance Code as issued by the Financial Reporting Council in May 2012 (formerly the Combined Code). However, the Board has undertaken to design appropriate corporate governance arrangements, having regard for best practice, taking into account the size of the group and the nature of its activities. This Corporate Governance Report describes the corporate governance arrangements in place.

Directors’ report (continued)

The Board

The Group is controlled by its Board of Directors. The Board’s main roles are to create value for shareholders, to provide leadership to the Group, to approve the Group’s strategic objectives and to ensure that the necessary financial and other resources are made available to enable them to meet those objectives.

Specific responsibilities reserved to the Board include: setting Group strategy and approving an annual budget and medium-term projections; reviewing operational and financial performance; approving major acquisitions, divestments and capital expenditure; reviewing the Group’s systems of financial control and risk management; ensuring that appropriate management development and succession plans are in place; approving appointments of directors and Company secretary; approving policies relating to directors’ remuneration and the severance of directors’ contracts; and ensuring that a satisfactory dialogue takes place with shareholders.

The Board has delegated the following responsibilities to the executive management team: the development and recommendation of operational plans for consideration by the Board that reflect the longer-term objectives and priorities established by the Board; implementation of the strategies and policies of the Group as determined by the Board; monitoring the operating and financial results against plans and budgets; monitoring the quality of the investment process against objectives; prioritising the allocation of capital, technical and human resources; monitoring the composition and terms of reference of divisional management teams; and developing and implementing risk management systems.

The Board currently comprises the non-executive Chairman, three executive directors and two other non-executive directors, including the senior independent director. Each director retires by rotation every 3 years and no specific term of appointment is prescribed. The Board considers all of its non-executive directors to be independent in character and judgement and each has wide ranging business skills and other skills and commercial acumen. The Board has determined that there are no relationships or circumstances that are likely to affect, or could appear to affect, the independent judgement of any of the non-executive directors.

No non-executive director:

- has been an employee of the Group within the last five years;
- has now, or has had at any time prior to or since his appointment to the Board, a material business relationship with the Group;
- receives remuneration other than a director’s fee;
- has close family ties with any of the Group’s advisers, directors or senior employees; or
- represents a significant shareholder.

Board meetings are held at least eight times each year with agendas and Board papers circulated in advance of each meeting. There is a schedule of formal matters reserved for Board approval. All directors have access to advice from the Company Secretary and from independent professional advisors at the Group’s expense.

Board committees

The Board has established an Audit Committee and a Nomination and Remuneration Committee. These committees have written terms of reference.

Audit committee

The Audit Committee is comprised of Breffni Byrne, John Hennessy and Oliver Tattan. Breffni Byrne is the Committee Chairman. The Board considers Breffni Byrne to have recent and relevant financial experience.

The Audit Committee meets three times each year. The Audit Committee reviews the accounting principles, policies and practices adopted in the preparation of the interim and annual financial statements, as well as reviewing the scope and performance of the Group’s internal finance function and reviewing the Group’s systems of financial control and risk management. It also discusses the scope and results of the audit with the external auditor and reviews the effectiveness and independence of the auditor. The external auditor attends the Audit Committee meetings. The Chief Executive and the Chief Financial Officer also attend. The external auditor has the opportunity to meet with the members of the Audit Committee in the absence of executives of the Group at least once a year.

Directors' report (continued)

In the year ended 30 June 2015, the Audit Committee, operating under its terms of reference, discharged its responsibilities by:

- reviewing risks associated with the business.
- reviewing the appropriateness of the Group's accounting policies.
- reviewing the external auditor's plan for the audit of the Group's 2015 financial statements, which included an assessment of the audit scope, key risk areas, confirmation of auditor independence and the proposed audit fee, and approving the terms of engagement for the audit.
- reviewing and approving the 2015 audit fee and reviewing non-audit fees payable to the Group's external auditor in 2015.
- reviewing performance improvement observation reports on internal controls in the Group's businesses prepared by the external auditor as part of the Group's audit process.
- reviewing the Group's interim results prior to Board approval.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is comprised of Breffni Byrne, John Hennessy and Oliver Tattan. Oliver Tattan is the Committee Chairman.

The Nomination and Remuneration Committee meets at least once a year. It comprises three non-executive directors and the Chief Executive attends by invitation but is not present for the determination of her own remuneration. Emoluments of executive directors are determined by the Committee. In the course of each financial year, the Committee determines basic salaries as well as the parameters for any possible bonus payments. The Committee applies the same philosophy in determining executive directors' remuneration as is applied in respect of all employees. The underlying objective is to ensure that individuals are appropriately rewarded relative to their responsibility, experience and value to the Group. The Committee is mindful of the need to ensure that in a competitive environment the Group can attract, retain and motivate executives who can perform to the highest levels of expectation. Annual bonuses and LTIP awards, if any, are determined by the Committee on the basis of objective assessments based on the Group's performance during the year measured by reference to key financial indicators, as well as by a qualitative assessment of the individual's performance.

In respect of potential nominations to the Board, the Committee meets at least once a year. The Committee considers the mix of skills and experience that the Board requires and seeks to propose the appointment of directors to meet its assessment of what is required to ensure that the Board is effective in discharging its responsibilities.

Attendance at Board and Committee meetings

Attendance at scheduled Board meetings and Committee meetings during the year ended 30 June 2015:

	Full Board	**Audit Committee**	**Nomination & Remuneration Committee**
Number of meetings held in 2015	**9**	**3**	**1**
Directors and position held:			
John Hennessy - Non-Executive Chairman	8	3	1
Breffni Byrne* - Non-Executive	9	3	1
Oliver Tattan - Non-Executive	9	3	1
Anne Heraty - Chief Executive Officer	9	3	1
Paul Carroll - Executive	9	-	-
Garret Roche - Executive	9	-	-

* Senior Independent Director
The Chief Financial Officer was invited to attend all board meetings and attended 8 meetings. He also attended the 3 audit committee meetings.

Relations with shareholders

There are regular meetings between the representatives of the Group and representatives of its principal investors. Announcements of results are communicated promptly to all shareholders. Management gives feedback to the Board of meetings between directors and shareholders. All directors normally attend the Annual General Meeting.

Directors' report (continued)

All shareholders are welcome at the Annual General Meeting where they have the opportunity to ask questions of the Board. The non-executive Chairman also gives a statement on the current trading conditions at the Annual General Meeting.

Internal control

The directors have considered the importance of internal control on the Group's operations. Having reviewed the effectiveness of its current controls, procedures and practice, the directors believe that the Group, throughout the year and up to the date of approval of the financial statements, has an effective internal control environment appropriate for the Group's size.

The directors are responsible for ensuring that the Group maintains a system of internal control. This system is designed to provide reasonable but not absolute assurance against material misstatement or loss.

Key elements of this control system, including internal financial control, are:

- an organisation structure with defined lines of responsibility and delegation of authority.
- a budgeting system with actual performance being measured against budget on a regular basis.
- regular reviews of the key business risks relevant to the Group's operations. These risks are reviewed annually for the purpose of ensuring that they remain appropriate to the business and the current trading environment.
- control procedures to address the key business risks, including policies and procedures appropriate to the operations of the business. The Board considers the adequacy of the control procedures at the same time as it reviews the key business risks. In addition, certain prescribed matters are reserved for Board approval.
- a management review of the operation of the system of internal controls.

The Audit Committee has reviewed the effectiveness of the Group's internal control system up to and including the date of approval of the financial statements. This review includes a consideration of issues raised in performance improvement observation reports received from the external auditor.

Going forward, the Board will actively monitor the continued adequacy of the Group's management and control system to ensure that as the Group develops, appropriate resources are available for this purpose.

Internal audit

While the Group is not required to comply with the UK Corporate Governance Code, the Group has voluntarily undertaken to review the need for an internal audit function. The Group does not have an Internal Audit department. The Board believes that the internal controls currently operated by the Group are adequate and that the Group's present size does not justify the establishment of an internal audit function. However, the Board and the Audit Committee continue to keep the matter under review.

Non-audit services

The Audit Committee monitors the non-audit services being provided to the Group by its external auditor. A formal Auditor Independence Policy has been developed to check that the non-audit services do not impair the independence or objectivity of the external auditor. The policy sets out four key principles which underpin the provision of non-audit services by the external auditor. These are that the auditor should not: audit its own firm's work; make management decisions for the Group; have a mutuality of financial interest with the Group; or be put in the role of advocate for the Group. Activities that may be perceived to be in conflict with the role of the external auditor must be submitted to the committee for approval prior to engagement, regardless of the amounts involved.

Going concern

The Group has considerable financial resources. As a consequence, the directors believe that Cpl is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the Company and the Group have 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.

Auditor

In accordance with Section 383 (2) of the Companies Act, 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the Board

John Hennessy	**Anne Heraty**
Director	Director

2 September 2015

Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements

The directors are responsible for preparing the Annual Report and the Group and Company financial statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and Company financial statements for each financial year. Under that law and in accordance with AIM/ESM Rules, the Directors are required to prepare the Group financial statements in accordance with IFRS as adopted by the EU and applicable law and have elected to prepare the Company financial statements in accordance with IFRS as adopted by the EU and as applied in accordance with the Companies Act 2014.

Under company law the directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year.

In preparing each of the Group and Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that its financial statements are prepared in accordance with applicable IFRS, as adopted by the EU and comply with the provisions of the Companies Act 2014. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. Under applicable law, the directors are also responsible for preparing a Directors' Report that complies with the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

John Hennessy
Director

Anne Heraty
Director

2 September 2015

Independent Auditor's Report

to the Members of Cpl Resources plc

We have audited the Group and Company financial statements ("financial statements") of Cpl Resources plc for the year ended 30 June 2015, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Changes in Equity, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements and related notes. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union and as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

Opinions and conclusions arising from our audit

1. Our opinion on the financial statements is unmodified

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 30 June 2015 and of its profit for the year then ended;
- the Company balance sheet gives a true and fair view of the assets, liabilities and financial position of the Company as at 30 June 2015;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company balance sheet has been properly prepared in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014; and
- the Group financial statements and Company statement of financial position have been properly prepared in accordance with the requirements of the Companies Acts 2014.

2. Our conclusions on other matters on which we are required to report by the Companies Act 2014 are set out below

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

3. We have nothing to report in respect of matters on which we are required to report by exception

ISAs (UK & Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In addition, the Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on page 24, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) 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.

Independent Auditor's Report (continued)

to the Members of Cpl Resources plc

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.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.

Cliona Mullen

for and on behalf of
KPMG
Chartered Accountants Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2

3 September 2015

Group Statement of Comprehensive Income

for the year ended 30 June 2015

	Note	2015 €'000	2014 €'000
Revenue	2	**393,648**	369,273
Cost of sales		**(334,981)**	(314,601)
Gross profit		**58,667**	54,672
Distribution expenses		**(3,726)**	(3,423)
Administrative expenses		**(40,984)**	(37,032)
Operating profit	2	**13,957**	14,217
Financial income	3	**125**	170
Financial expenses	3	**-**	(3)
Profit before tax	4	**14,082**	14,384
Income tax expense	7	**(1,797)**	(1,937)
Profit for the financial year - all attributable to equity shareholders		**12,285**	12,447
Profit attributable to:			
Owners of the Parent		**12,374**	12,447
Non-controlling interests	20	**(89)**	-
		12,285	12,447
Other comprehensive income - items that are or may be reclassified to profit or loss			
Foreign currency translation differences - foreign operations		**(304)**	(101)
Total comprehensive income for the year - all attributable to equity shareholders		**11,981**	12,346
Basic earnings per share (cent)	9	**40.2**	40.7
Diluted earnings per share (cent)	9	**40.2**	40.7

The notes to the financial statements are an integral part of these consolidated financial statements.

Group Statement of Changes in Equity

for the year ended 30 June 2015

	Share Capital	Share Premium	Other undenominated capital fund	Capital conversion reserve fund	Merger reserve	Currency translation reserve	Share based payment reserve	Retained earnings	Total	Non-controlling interests	Total Share holders equity
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance at 30 June 2013	3,053	1,705	667	57	(3,357)	10	-	61,124	63,259	-	63,259
Total comprehensive income for the year											
Profit for the financial year	-	-	-	-	-	-	-	12,447	12,447	-	12,447
Foreign currency translation effects	-	-	-	-	-	(101)	-	-	(101)	-	(101)
Share based payment charge (Note 26)	-	-	-	-	-	-	54	-	54	-	54
Transactions with shareholders											
Dividends paid	-	-	-	-	-	-	-	(2,826)	(2,826)	-	(2,826)
Balance at 30 June 2014	**3,053**	**1,705**	**667**	**57**	**(3,357)**	**(91)**	**54**	**70,745**	**72,833**	**-**	**72,833**
Balance at 1 July 2014	3,053	1,705	667	57	(3,357)	(91)	54	70,745	72,833	-	72,833
Total comprehensive income for the year											
Profit for the financial year	-	-	-	-	-	-	-	12,374	12,374	(89)	12,285
Foreign currency translation effects	-	-	-	-	-	(304)	-	-	(304)	-	(304)
Share based payment charge (Note 26)	-	-	-	-	-	-	123	-	123	-	123
Transactions with shareholders											
Dividends paid	-	-	-	-	-	-	-	(2,978)	(2,978)	-	(2,978)
Balance at 30 June 2015	**3,053**	**1,705**	**667**	**57**	**(3,357)**	**(395)**	**177**	**80,141**	**82,048**	**(89)**	**81,959**

Company Statement of Changes in Equity

for the year ended 30 June 2015

	Share Capital	Share Premium	Other undernominated capital fund	Capital conversion reserve fund	Share based payment reserve	Retained earnings	Shareholders equity
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance at 30 June 2013	3,053	1,705	667	57	-	4,187	9,669
Total comprehensive income for the year							
Profit for the financial year	-	-	-	-	-	2,142	2,142
Share based payment charge	-	-	-	-	54	-	54
Transactions with shareholders							
Dividends paid	-	-	-	-	-	(2,826)	(2,826)
Balance at 30 June 2014	**3,053**	**1,705**	**667**	**57**	**54**	**3,503**	**9,039**
Balance at 1 July 2014	3,053	1,705	667	57	54	3,503	9,039
Total comprehensive income for the year							
Profit for the financial year	-	-	-	-	-	1,217	1,217
Share based payment charge	-	-	-	-	123	-	123
Transactions with shareholders							
Dividends paid	-	-	-	-	-	(2,978)	(2,978)
Balance at 30 June 2015	**3,053**	**1,705**	**667**	**57**	**177**	**1,742**	**7,401**

Group and Company Balance Sheets

as at 30 June 2015

		Group		Company	
		2015	2014	**2015**	2014
Assets	*Note*	**€'000**	€'000	**€'000**	€'000
Non current assets					
Property, plant and equipment	*11*	**1,835**	1,320	**1,833**	261
Goodwill and intangible assets	*12*	**12,661**	11,984	**1,183**	487
Investments in subsidiaries	*13*	**-**	-	**13,946**	13,592
Deferred tax asset	*14*	**439**	386	**28**	31
Total non-current assets		**14,935**	13,690	**16,990**	14,371
Current assets					
Trade and other receivables	*15*	**81,831**	69,978	**107,881**	80,609
Current tax recoverable		**451**	-	**-**	4
Cash and Cash equivalents	*16*	**30,475**	30,518	**19,303**	19,964
Total current assets		**112,757**	100,496	**127,184**	100,577
Total assets		**127,692**	114,186	**144,174**	114,948
Equity					
Capital and reserves attributable to the owners of the Parent					
Issued share capital	*17*	**3,053**	3,053	**3,053**	3,053
Share premium	*17*	**1,705**	1,705	**1,705**	1,705
Other reserves	*17*	**(2,851)**	(2,670)	**901**	778
Retained earnings		**80,141**	70,745	**1,742**	3,503
		82,048	72,833	**7,401**	9,039
Non-controlling interests	*20*	**(89)**	-	**-**	-
Total equity		**81,959**	72,833	**7,401**	9,039

Group and Company Balance Sheets (continued)
as at 30 June 2015

		Group		Company	
		2015	2014	**2015**	2014
	Note	**€'000**	€'000	**€'000**	€'000
Current liabilities					
Trade and other payables	*19*	**45,733**	40,892	**136,773**	105,834
Current tax payable		**-**	386	**-**	-
Provisions	*18*	**-**	75	**-**	75
Total current liabilities		**45,733**	41,353	**136,773**	105,909
Total liabilities		**45,733**	41,353	**136,773**	105,909
Total equity and liabilities		**127,692**	114,186	**144,174**	114,948

The notes to the financial statements are an integral part of these consolidated financial statements.

On behalf of the Board

John Hennessy
Director

Anne Heraty
Director

Group and Company Cash Flow Statements

for the year ended 30 June 2015

		Group		Company	
		2015	2014	**2015**	2014
	Note	**€'000**	€'000	**€'000**	€'000
Cash flows from operating activities					
Profit for the financial year		**12,285**	12,447	**1,217**	2,142
Adjustments for:					
Depreciation on property, plant and equipment	*11*	**425**	415	**413**	74
Share based payment charge		**123**	54	**-**	
Amortisation of intangible assets	*12*	**165**	81	**165**	62
Financial income	*3*	**(125)**	(170)	**(127)**	(187)
Financial expense	*3*	**-**	3	**-**	-
Income tax expense	*7*	**1,797**	1,937	**13**	2
Operating cash flows before changes in working capital		**14,670**	14,767	**1,681**	2,093
(Increase) in trade and other receivables		**(12,199)**	(8,097)	**(27,323)**	(21,439)
Increase in trade and other payables		**4,073**	368	**29,784**	21,303
Cash generated from operations		**6,544**	7,038	**4,142**	1,957
Interest (paid)		**-**	(3)	**-**	-
Income tax (paid)		**(1,919)**	(724)	**(6)**	(2)
Interest received		**176**	108	**178**	125
Net cash from operating activities		**4,801**	6,419	**4,314**	2,080
Cash flows from investing activities					
Investments	*13*	**-**	-	**(155)**	-
Deferred consideration paid	*18*	**(75)**	(75)	**(75)**	(75)
Purchase of property, plant and equipment	*11*	**(949)**	(567)	**(925)**	(108)
Purchase of intangible assets	*12*	**(842)**	(364)	**(842)**	(347)
Net cash (outflow) from investing activities		**(1,866)**	(1,006)	**(1,997)**	(530)

Group and Company Cash Flow Statements (continued)

for the year ended 30 June 2015

		Group		Company	
		2015	2014	**2015**	2014
	Note	**€'000**	€'000	**€'000**	€'000
Cash flows from financing activities					
Dividends paid	*8*	**(2,978)**	(2,826)	**(2,978)**	(2,826)
Net cash (used in) financing activities		**(2,978)**	(2,826)	**(2,978)**	(2,826)
Net (decrease)/increase in cash and cash equivalents		**(43)**	2,587	**(661)**	(1,276)
Cash and Cash equivalents at beginning of year		**30,518**	27,931	**19,964**	21,240
Cash and Cash equivalents at end of year		**30,475**	30,518	**19,303**	19,964

The notes to the financial statements are an integral part of these consolidated financial statements.

Notes
forming part of the financial statements

1. Statement of Accounting Policies

Cpl Resources plc (the "Company") is a company incorporated in Ireland. The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The Group and Company financial statements were authorised for issue by the directors on 2 September 2015.

Statement of compliance

The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU. The individual financial statements of the Company ("Company financial statements") have been prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the Companies Act 2014 which permits a company, that publishes its Company and Group financial statements together, to take advantage of t he exemption in Section 304(2) of the Companies Act 2014, from presenting to its members its Company income statement and related notes that form part of the approved Company financial statements.

Changes in accounting policies and disclosures

IFRSs as adopted by the EU applied by the Company and Group in the preparation of these financial statements are those that were effective for accounting periods ending on or before 30 June 2015. The accounting policies adopted are consistent with those of the previous year except for the following new and amended IFRS and IFRIC interpretations adopted by the Group and Company in these financial statements:

IFRS 10 – *Consolidated Financial Statements*. IFRS 10 establishes a new control-based model for consolidation that replaces the existing requirements of both IAS 27 and SIC 12. IFRS 10 changes the definition of control so that the same criteria are applied to all entities to determine control. The standard also includes specific guidance on the question of whether the entity is acting as an agent or principal in its involvement with an investee.

IFRS 11 – *Joint Arrangements*. IFRS 11 removes the existing accounting policy choice for proportionate consolidation for jointly controlled entities and makes equity accounting mandatory for participants in joint ventures. The application of this revised standard did not have a material impact on the Group's financial statements.

IFRS 12 – *Disclosure of Interests in Other Entities*. IFRS 12 requires entities to disclose information about the nature, risks and financial effects associated with the entity's interest in subsidiaries, associates, joint arrangements and unconsolidated structured entities.

IAS 27 (Amendment) – *Separate Financial Statements (2011)*. IAS 27 carries forward the existing accounting requirements for separate financial statements; the requirements of IAS 28 and IAS 31 for separate financial statements have been incorporated into IAS 27.

IAS 28 (Amendment) – *Investments in Associates and Joint Ventures*, IAS 28 previously discussed how to apply equity accounting to associates in consolidated financial statements. The revised IAS 28 continues to include that guidance but is now extended to also apply that accounting to entities that qualify as joint ventures under IFRS 11.

IAS 32 (Amendment) – *Offsetting Financial Assets and Financial Liabilities*. This amendment clarifies some of the requirements for offsetting assets and financial liabilities on the balance sheet.

The above new standards have not had a material impact on the results and financial position of the Group for the year ended 30 June 2015 except for additional disclosures in relation to interests in other entities.

1. Statement of Accounting Policies (continued)

Basis of preparation

The Group and individual financial statements of the Company which are presented in euro rounded to the nearest thousand, have been prepared under the historical cost convention. The accounting policies applied in the preparation of these consolidated financial statements have been applied consistently during the year and the prior year. The accounting policies have been applied consistently by Group entities.

Judgements and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Management discussed with the Audit Committee the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Particular areas which are subject to accounting estimates and judgements in these financial statements are judgemental provisions and accruals, share based payments, and impairment testing of goodwill.

Accounting for subsidiaries

Group financial statements

Subsidiaries are those entities over which the Group has control. Control exists when the Group is exposed to, or has rights to, variable returns and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. The amounts included in these financial statements in respect of subsidiaries are taken from their latest financial statements prepared up to their respective year ends, together with management accounts for the intervening periods to the year end where necessary. All significant subsidiaries have coterminous financial year ends.

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the Group financial statements, except to the extent that they provide evidence of impairment.

Company financial statements

Investments in subsidiaries are carried at cost less impairment, if any. Dividend income is recognised when the right to receive payment is established.

Revenue recognition

Revenue represents the fair value of amounts receivable for services provided in the normal course of business, net of trade discounts and Value Added Tax. Revenue in respect of permanent placements is recognised when the candidate commences employment. Revenue in respect of the Group's contractors and temporary employees is recognised when the related hours have been worked. Revenue recognised but not yet billed is included as accrued income within receivables.

Notes (continued)

1. Statement of Accounting Policies (continued)

Operating segment reporting

Operating segments are distinguishable components of the Group that have been established based on the internal reports regularly reviewed by the Group's Chief Executive Officer in order to assess each segment's performance and to allocate resources to them. The Group has determined that its operating segments of recruitment of temporary staff, and permanent placement of candidates are its reportable operating segments.

Financial income and expenses

Financial expenses comprise interest payable on borrowings calculated using the effective interest rate method. Financial income comprises interest receivable on cash deposits. All financial expenses are recognised in profit or loss, except to the extent that they arise on the acquisition or construction of a qualifying asset.

Taxation

Income tax for the year comprises current and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the related tax is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws that have been enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is provided for any differences that exist between the tax base and the carrying value of intangible assets arising from business combinations. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. If the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect accounting or taxable profit or loss, it is not recognised. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be recovered. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Pensions and other post-employment benefits

Pension contributions to defined contribution pension schemes are charged to the income statement in the period to which they relate. Any amounts of contributions due or paid in advance at the balance sheet date are included in accruals or prepayments as appropriate.

Dividends

Dividends are recognised in the period in which they are approved by the Company's shareholders, or in the case of an interim dividend, when it has been approved by the Board of Directors and paid.

Notes (continued)

1. Statement of Accounting Policies (continued)

Foreign currency translation

Functional and presentation currency

The consolidated financial statements are presented in euro which is the Company's functional currency. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates, which is primarily euro.

Transactions and balances

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. The resulting monetary assets and liabilities are translated at the balance sheet rate and the exchange differences are dealt with in the income statement.

Group companies

Results and cash flows of subsidiaries which do not have the euro as their functional currency are translated into euro at actual rates of exchange or average exchange rates for the year where this is a reasonable approximation and the related balance sheets are translated at the rates of exchange ruling at the balance sheet date. Any material adjustments arising on translation of the results of such subsidiaries at average rates and on the restatement of the opening net assets are dealt with in other comprehensive income and presented within a separate translation reserve in the balance sheet.

Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is provided on all property, plant and equipment. Depreciation is provided on a straight line basis at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

	Years
Buildings	50
Equipment	5
Fixtures & fittings	5
Motor vehicles	3

The residual value of assets, if not insignificant, and the useful life of assets is reassessed annually.

Gains and losses on disposals are determined by comparing the proceeds received with the carrying amount and are included in operating profit.

Business combinations

The acquisition method of accounting is employed in accounting for the acquisition of subsidiaries, joint ventures and associates by the Group. The Group availed of the exemption under IFRS 1, *"First-time Adoption of International Financial Reporting Standards"*, whereby business combinations prior to the transition date of 1 July 2004 have not been restated. IFRS 3, *"Business Combinations (2004)"*, was applied with effect from the transition date of 1 July 2004 and goodwill amortisation ceased from that date. IFRS 3 (2008) has been applied to acquisitions from 1 July 2009.

1. Statement of Accounting Policies (continued)

The fair value of the consideration paid in a business combination is measured as the aggregate of the fair value of assets transferred, liabilities incurred or assumed and equity instruments issued in exchange for control. Deferred consideration arising on business combinations is determined through discounting the amounts payable to their present value. The discount element is reflected as an interest charge in the income statement over the life of the deferred payment. Contingent consideration is measured at fair value, with subsequent changes therein recognised in profit or loss. In the case of a business combination, the assets and liabilities are measured at their provisional fair values at the date of acquisition. Adjustments to provisional values allocated to assets and liabilities are made within 12 months of the acquisition date and reflected as a restatement of the acquisition balance sheet, where material.

Goodwill

Goodwill on acquisitions is initially measured at cost being the excess of the fair value of the consideration for the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. When the excess is negative, a bargain purchase gain is recognised immediately in the profit or loss.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill arising on acquisitions prior to the date of transition to International Financial Reporting Standards as adopted by the EU, 1 July 2004, has been retained at the previous Irish GAAP amount being its deemed cost and is tested annually for impairment. Goodwill relating to acquisitions from 1 July 2004 and goodwill carried in the balance sheet at 1 July 2004 is not amortised. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Intangible assets other than goodwill

Intangible assets acquired separately are capitalised at cost and intangible assets acquired in the course of a business combination are capitalised at fair value being their deemed cost as at the date of acquisition. Subsequent to initial recognition, intangible assets which have a finite life are carried at cost less any applicable accumulated amortisation and any accumulated impairment losses. Where amortisation is charged on assets with finite lives, this expense is taken to the income statement. The amortisation of intangible assets is calculated to write-off the book value of intangible assets over their useful lives on a straight-line basis. Amortisation rates used are as follows:

Software assets	5 years
Brands	1 - 5 years
Customer contracts & databases	1 - 5 years

Impairment reviews

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

Notes (continued)

1. Statement of Accounting Policies (continued)

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Leases

Where the Group has entered into lease arrangements on land and buildings, the lease payments are allocated between land and buildings and each is assessed separately to determine whether it is a finance or operating lease.

Finance leases, which transfer to the Group substantially all the risks and benefits of ownership of the leased asset, are capitalised at the inception of the lease at the fair value of the leased asset or if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between the finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement as part of financial expenses. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the assets are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight line basis over the lease term. Lease incentives are recognised over the lease term on a straight line basis.

Guarantees

The Company guarantees certain liabilities of subsidiary companies. These are considered to be insurance arrangements and are accounted for as such i.e. treated as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

Financial instruments

Short term bank deposits

Short term bank deposits of greater than three months maturity which do not meet the definition of cash and cash equivalents are classified as financial assets available for sale within current assets and stated at fair value in the balance sheet.

Interest bearing borrowings

Interest bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Notes (continued)

1. Statement of Accounting Policies (continued)

Trade and other payables

Trade and other payables are initially recorded at fair value and subsequently at the higher of cost or payment or settlement amounts. Where the time value of money is material, payables are carried at amortised cost.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently carried at amortised cost less an allowance for any incurred losses. An estimate of incurred losses is made when collection of the full amount is no longer probable.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits would be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Long term Incentive Plan (LTIP)

The Remuneration Committee of the Company's Board of Directors has granted conditional share awards (the "LTIP awards") to certain employees under the Group's Long Term Incentive Plan. The LTIP awards give eligible employees a conditional right to subscribe for ordinary shares in the Company upon payment of the nominal value (€0.10 each) of those shares. The fair value of these awards is determined at the date of grant and is charged to the income statement on a straight-line basis over the period from the date of grant to the vesting date. The fair value is determined using a Black-Scholes model, applied as at the date of grant and excluding the impact of any non-market conditions. At each balance sheet date the Group estimates the number of awards that are expected to vest, and any change in a previous estimate is recognised in the income statement, with a corresponding adjustment to equity. In estimating the number of awards that are expected to vest, the Group takes account of non-market vesting conditions.

Notes (continued)

1. Statement of Accounting Policies (continued)

Earnings per share

The Group presents basic and diluted earnings per share ('EPS') data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which include as appropriate awards under share award schemes to employees where such awards are dilutive.

New standards and interpretations not applied

During the year, a number of amendments to existing accounting standards became available for early adoption. The impact of the new standards has not been considered by the directors and is not expected to have a significant impact on the results and financial position of the group in future financial years.

Standard/Interpretation	*Effective date - for accounting periods beginning on or after*
Annual improvements to IFRSs 2010 - 2012 Cycle	1 February 2015
Annual improvements to IFRSs 2011 - 2013 Cycle	1 February 2015
Amendments to IFRS 11: Accounting for acquisitions of interests in Joint Operation	Not yet endorsed by the EU
Amendments to IAS 16 and IAS 38: Clarification of acceptable methods of depreciation and amortisation	Not yet endorsed by the EU
Amendments to IAS 16 Property, Plant and Equipment	Not yet endorsed by the EU
Amendments to IAS 27 Equity method in Separate Financial Statements	Not yet endorsed
Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the consolidation exception (December 2014)	Not yet endorsed
Amendments to IAS 1: Disclosure Initiative	Not yet endorsed by the EU
Annual Improvements to IFRSs 2012-2014 Cycle	Not yet endorsed by the EU

Notes (continued)

2. Operating segment reporting

Segment information is presented in respect of the Group's operating segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Cpl's primary activity is recruitment. The Group's operations are divided into:

- Recruitment and placement of temporary staff
- Permanent placement of candidates

Information regarding the results of each operating segment is included below. Performance is measured based on segment profit before financial income and expenses and income tax, as included in the internal management reports that are reviewed by the Board.

	2015	2014
	€'000	€'000
Revenue total		
Temporary staff	**369,314**	348,557
Permanent placements	**24,334**	20,716
	393,648	369,273
Operating profit total		
Temporary staff	**6,205**	6,478
Permanent placements	**7,752**	7,739
	13,957	14,217
Financial income - centrally controlled income	**125**	170
Financial expense - centrally controlled expense	**-**	(3)
Profit before tax	**14,082**	14,384
Temporary staff	**361**	353
Permanent placements	**64**	62
Group depreciation	**425**	415

Notes (continued)

2. Operating segment reporting (continued)

	2015	2014
	€'000	€'000
Group amortisation		
Temporary staff	**165**	81
Permanent placements	**-**	-
	165	81
Group assets		
Temporary staff	**84,579**	72,791
Permanent placements	**12,638**	10,877
	97,217	83,668
Centrally controlled assets	**30,475**	30,518
	127,692	114,186

At 30 June 2015, centrally controlled assets constitute cash and cash equivalents of €30,475k
(30 June 2014 : €30,518k)

	2015	2014
	€'000	€'000
Group liabilities		
Temporary staff	**42,532**	38,458
Permanent placements	**3,201**	2,895
	45,733	41,353
Group capital expenditure additions		
Temporary staff	**892**	533
Permanent placements	**57**	34
	949	567

Notes (continued)

2. Operating segment reporting (continued)

Geographical segment information

The Group considers that its geographical segments are Ireland and UK and Rest of the World. Revenues by country outside Ireland and the UK are not considered sufficiently significant to warrant separate reporting.

Group revenues by geographical segment are as follows:

Revenue

	2015 €'000	2014 €'000
Ireland and UK	**368,765**	345,732
Rest of the world	**24,883**	23,541
Revenue	**393,648**	369,273

Non-current assets (excluding financial and deferred tax asset balances) by geographical segment are as follows:

Non-current assets

	2015 €'000	2014 €'000
Ireland and UK	**13,580**	12,852
Rest of the world	**916**	452
Non-current assets	**14,496**	13,304

3. Financial income and expenses

	2015 €'000	2014 €'000
Interest (income) on cash deposits	**(125)**	(170)
Interest expense		
Interest payable	**-**	3

Notes (continued)

4. Statutory and other information

Group

Profit before tax is stated after charging the following:

	2015 €'000	2014 €'000
Auditors' remuneration - audit services	**103**	100
- other assurance services	**33**	30
- tax advisory services	**93**	117
- tax compliance	**39**	40
Operating lease rentals, principally in respect of premises	**576**	219
Depreciation	**425**	415
Amortisation of intangible assets	**165**	81

In accordance with the requirements of Regulation 120 of Statutory Instrument 220/2010, *'European Communities (Statutory Audits) (Directive 2006/43/EC) Regulations 2010'*, the auditor's remuneration figures represent fees paid to KPMG Dublin only and are exclusive of VAT. Audit services relates to the audit of the Group financial statements only. Audit fees in relation to the audit of subsidiary companies by KPMG Dublin are classified as other assurance services. Audit fees paid to other KPMG offices, not included above, amounted to €19,000 *(2014: €19,000)*.

Company

Profit before tax is stated after charging the following:

	2015 €'000	2014 €'000
Auditors' remuneration - audit services	**4**	4
- other assurance services	**-**	-
- tax advisory services	**40**	40
- other assurance services	**-**	-

Audit services relates to the audit of the Company financial statements only.

Notes (continued)

5. Directors' remuneration

Directors' remuneration for the year was as follows:

	Salaries and Other Emoluments €'000	Fees €'000	Pension €'000	Total 2015 €'000	Total 2014 €'000
Executive directors					
Anne Heraty	343	-	98	**441**	386
Paul Carroll	321	-	76	**397**	344
Garret Roche	215	-	16	**231**	244
	879	-	190	**1,069**	974
Non-executive directors					
John Hennessy	-	77	-	**77**	77
Breffni Byrne	-	50	-	**50**	50
Oliver Tattan	-	50	-	**50**	50
	-	177	-	**177**	177
Total	879	177	190	**1,246**	1,151

As noted on page 20 and set out in note 26, Garret Roche was awarded 50,000 Long Term Incentive Plan awards during the year ended 30 June 2014, with a vesting date of 26 February 2017. No awards were awarded, exercised, forfeited or vested in the year. In accordance with IFRS 2 share based payments an expense of €9,741 (2014 : €4,000) has been recognised in the Group Statement of Comprehensive Income in respect of awards made to executive directors.

6. Staff numbers and costs

Staff costs numbers

The average number of persons employed by the Group (excluding non-executive directors) during the year, analysed by category, was as follows:

	Number of employees	
	2015	2014
Temporary staff	**9,620**	8,466
Recruitment and on-site consultants	**474**	441
Management and administration	**178**	147
	10,272	9,054

Notes (continued)

6. Staff numbers and costs

Staff costs (excluding non-executive directors)

	2015	2014
	€'000	€'000
Wages and salaries	263,790	243,386
Social security costs	28,357	26,164
Other pension costs	297	386
	292,444	269,936

The weighted average number of persons employed by the Company (comprising the executive directors) during the year was three *(2014 : three)* and their remuneration is disclosed in Note 5.

7. Income tax expense

	2015	2014
	€'000	€'000
Recognised in income statement:		
Current tax expense		
Current year	1,858	1,843
Adjustments in relation to prior years	(24)	23
Current tax expense	1,834	1,866
Deferred tax		
Origination and reversal of temporary differences	(37)	71
Total tax in the income statement	1,797	1,937

Reconciliation of effective tax rate	2015	2014
	€'000	€'000
Profit before tax	14,082	14,384
Tax based on Irish corporation tax rate of 12.5%	1,760	1,798
Non-deductible items	46	25
Differences in effective tax rates on overseas earnings	8	5
Effect of change in UK tax rate	-	21
(Over)/under provision in prior years	(24)	23
Other	7	65
Total tax in income statement	1,797	1,937

Notes (continued)

8. Dividends to equity shareholders

Interim dividends to equity shareholders in Cpl Resources plc are recognised when the interim dividend is paid by the Company. The final dividend in respect of each financial year is recognised when the dividend has been approved by the Company's shareholders. During the financial year, the following dividends were recognised:

	2015	2014
	€'000	€'000
Final dividend paid in respect of previous financial year of 5.0 cent *(2014 : 4.5 cent)* per ordinary share	**1,527**	1,375
Interim dividend paid in respect of current financial year of 4.75 cent *(2014 : 4.75 cent)* per ordinary share	**1,451**	1,451
	2,978	2,826

The directors have proposed a final dividend in respect of the 2015 financial year of 5.0 cent per ordinary share. This dividend has not been provided for in the Company or Group balance sheet as there was no present obligation to pay the dividend at the year end. The final dividend is subject to approval by the Company's shareholders at the Annual General Meeting.

9. Earnings per share

	2015	2014
	€'000	€'000
Numerator for basic and diluted earnings per share:		
Profit for the financial year attributable to equity shareholders	**12,285**	12,447
Denominator for basic earnings per share:		
Weighted average number of shares in issue for the year	**30,545,159**	30,545,159
Denominator for diluted earnings per share:	**30,545,159**	30,545,159
Basic and diluted earnings per share (cent)	**40.2**	40.7

10. Profit for the financial year

As permitted by Section 304(1) of the Companies Act 2014, a separate income statement for the Company is not presented in these financial statements. The profit for the financial year of the holding Company was €1,217,000 *(2014 : Profit €2,142,000)*.

Notes (continued)

11. Property, plant and equipment

Group

	Land and buildings €'000	Equipment €'000	Fixtures & fittings €'000	Motor Vehicles €'000	Total €'000
Cost					
Balance at 30 June 2013	552	3,014	1,459	330	5,355
Additions	-	339	228	-	567
Disposals	-	(1)	-	-	(1)
Foreign exchange revaluation	-	2	1	-	3
Balance at 30 June 2014	552	3,354	1,688	330	5,924
Additions	-	358	591	-	949
Foreign exchange revaluation	-	(3)	(2)	-	(5)
Balance at 30 June 2015	**552**	**3,709**	**2,277**	**330**	**6,868**
Amortisation					
Balance at 30 June 2013	181	2,738	950	318	4,187
Depreciation charge for the year	11	152	240	12	415
Disposals	-	(1)	-	-	(1)
Foreign exchange revaluation	-	2	1	-	3
Balance at 30 June 2014	192	2,891	1,191	330	4,604
Depreciation charge for the year	11	207	207	-	425
Foreign exchange revaluation	-	2	2	-	4
Balance at 30 June 2015	**203**	**3,100**	**1,400**	**330**	**5,033**
Net book value					
At 30 June 2015	**349**	**609**	**877**	**-**	**1,835**
At 30 June 2014	360	463	497	-	1,320

Notes (continued)

11. Property, plant and equipment (continued)

Company

	Land and buildings	Equipment	Fixtures & fittings	Motor Vehicles	Total
	€'000	€'000	€'000	€'000	€'000
Cost					
Balance at 30 June 2013	-	217	152	-	369
Additions	-	69	39	-	108
Balance at 30 June 2014	-	286	191	-	477
Additions	-	338	587	-	925
Transferred from group companies	552	3,085	1,469	291	5,397
Balance at 30 June 2015	**552**	**3,709**	**2,247**	**291**	**6,799**
Depreciation					
Balance at 30 June 2013	-	107	35	-	142
Depreciation charge for the year	-	44	30	-	74
Balance at 30 June 2014	-	151	65	-	216
Depreciation charge for the year	11	197	205	-	413
Transferred from group companies	192	2,752	1,102	291	4,337
Balance at 30 June 2015	**203**	**3,100**	**1,372**	**291**	**4,966**
Net book value					
At 30 June 2015	**349**	**609**	**875**	**-**	**1,833**
At 30 June 2014	-	135	126	-	261

In November 2014, assets with net book value of €1,060,000 were transferred from other Irish Subsidiaries in the Group to the Company.

Notes (continued)

12. Goodwill and intangible assets

Group

	Goodwill	Brands	Customer Contracts & databases	Software	Total
	€'000	€'000	€'000	€'000	€'000
Cost					
Balance at 30 June 2013	19,698	1,214	1,520	1,443	23,875
Additions	75	-	-	289	364
Balance at 30 June 2014	19,773	1,214	1,520	1,732	24,239
Additions	-	-	-	842	842
Balance at 30 June 2015	**19,773**	**1,214**	**1,520**	**2,574**	**25,081**
Amortisation					
Balance at 30 June 2013	8,295	1,214	1,520	1,145	12,174
Amortisation for the year	-	-	-	81	81
Balance at 30 June 2014	8,295	1,214	1,520	1,226	12,255
Amortisation for the year	-	-	-	165	165
Balance at 30 June 2015	**8,295**	**1,214**	**1,520**	**1,391**	**12,420**
Net book value					
At 30 June 2015	**11,478**	**-**	**-**	**1,183**	**12,661**
At 30 June 2014	11,478	-	-	506	11,984

Notes (continued)

12. Goodwill and intangible assets (continued)

Company

	Brands	Customer Contracts & databases	Software	Total
	€'000	€'000	€'000	€'000
Cost				
Balance at 30 June 2013	-	-	424	424
Additions	-	-	347	347
Balance at 30 June 2014	-	-	771	771
Additions	-	-	842	842
Transferred from group companies	1,214	1,520	51	2,785
Balance at 30 June 2015	**1,214**	**1,520**	**1,664**	**4,398**
Amortisation				
Balance at 30 June 2013	-	-	222	222
Amortisation for the year	-	-	62	62
Balance at 30 June 2014	-	-	284	284
Amortisation for the year	-	-	165	165
Transferred from group companies	1,214	1,520	32	2,766
Balance at 30 June 2015	**1,214**	**1,520**	**481**	**3,215**
Net book value				
At 30 June 2015	**-**	**-**	**1,183**	**1,183**
At 30 June 2014	-	-	487	487

In November 2014, assets with net book value of €19,000 were transferred from other Irish Subsidiaries in the Group to the Company.

Goodwill

Goodwill arises in connection with business combinations and has been allocated to groups of Cash Generating Units (CGUs) for the purpose of impairment testing. A CGU represents the lowest level within the Group at which associated goodwill is monitored for management purposes and is not bigger than the segments determined in accordance with IFRS 8, Operating Segments.

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of CGUs are based on value in use calculations.

Notes (continued)

12. Goodwill and intangible assets (continued)

Key assumptions used in the value in use calculations

The key assumptions in the value in use calculations used to assess impairment are outlined below.

These calculations use cash flow forecasts based on expected future operating results and cashflows. The computations use five year forecasts. For individual CGUs, one year forecasts have been approved by senior management. The remaining years' forecasts have been extrapolated using growth rates of between 0% and 2% based on the current operating results and budgeted performance of individual CGUs. For the purposes of calculating terminal values, a terminal growth rate of 0% has been adopted. The cashflow forecasts are discounted using appropriate risk adjusted discount rates averaging 8.8% *(2014 : 8.9%)*, reflecting the risk associated with the individual future cash flows and the risk free rate.

Any significant adverse change in the expected future operating results and cash flows may result in the value in use being less than the carrying value of a CGU and would require that the carrying value of the CGU be stated at the greater of the value in use or the recoverable amount of the CGU.

Impairment losses

Applying the techniques and assumptions outlined above, no impairment losses arose in the years ended 30 June 2015 or 30 June 2014.

The results of impairment testing undertaken provide sufficient headroom such that any reasonable realistic movement in any of the underlying assumptions would not give rise to an impairment charge on the relevant CGUs.

Brands, customer contracts and databases, and software

Intangible assets comprise brands and customer contracts and databases which were acquired as part of acquisitions made by the Group. The brands and customer contracts and databases were assessed as having a maximum finite life at their respective dates of acquisition of 5 years. The brands and customer databases have been amortised over their estimated useful lives.

Software assets are amortised over their estimated useful life of 5 years.

13. Investments in subsidiaries - Company

Investment in subsidiary undertakings

	2015	2014
	€'000	€'000
Cost		
Balance at start of year	**13,592**	13,538
Additions	**354**	54
Disposals	**-**	-
Closing balance	**13,946**	13,592

13. Investments in subsidiaries - Company (continued)

At 30 June 2015, in the opinion of the directors, the investments are worth at least their carrying value. At 30 June 2015, the investments in wholly owned subsidiaries comprised the following:

Company	Country of incorporation	Class of shares held
Computer Placement Limited	Ireland	Ordinary
Cpl Solutions Limited	Ireland	Ordinary
Careers Register Limited	Ireland	Ordinary
Multiflex Limited	Ireland	Ordinary
Tech Skills Resources Limited	Ireland	Ordinary
Medical Recruitment Specialists Limited	Ireland	Ordinary
Richmond Recruitment Limited	Ireland	Ordinary
Occipital Limited	Ireland	Ordinary
Kate Cowhig International Healthcare Recruitment Limited	Ireland	Ordinary
Acompli Limited	Ireland	Ordinary
Flexsource Limited	Ireland	Ordinary
Kate Cowhig International Healthcare Recruitment Limited (UK)	UK	Ordinary
Cpl Healthcare Limited	Ireland	Ordinary
Cpl Learning and Development Limited	Ireland	Ordinary
Cpl (Northern Ireland) Limited	Northern Ireland	Ordinary
Nursefinders UK Limited	UK	Ordinary
Cpl Jobs S.r.o.	Czech Republic	Ordinary
Cpl Jobs S.r.o.	Slovakia	Ordinary
Cpl Jobs Sp z.o.o	Poland	Ordinary
Cpl Recruitment S.L.	Spain	Ordinary
Cpl Resources International Holdings Limited	Ireland	Ordinary
Cpl Resources Ireland Holdings Limited	Ireland	Ordinary
Servisource Healthcare Limited	Ireland	Ordinary
Servisource Recruitment Limited	Ireland	Ordinary
Servisource Limited	UK	Ordinary
Cpl Jobs Kft	Hungary	Ordinary
Runway Personnel Limited	Ireland	Ordinary
PHC Care Management Limited	Ireland	Ordinary
Emoberry Limited	Ireland	Ordinary
Occipital Sarl	Tunisia	Ordinary
Occipital Sp Z.o.o	Poland	Ordinary
Deena Energy Services Limited (*)	Ireland	Ordinary
Cpl Helathcare Global Limited	UK	Ordinary
Kate Cowhig Healthcare Recruitment Portugal LDA	Portugal	Ordinary
Cpl Jobs Tunisie Sarl	Tunisia	Ordinary

Notes (continued)

13. Investments in subsidiaries - Company (continued)

*All subsidiaries are wholly owned with the exception of Deena Energy Services Limited (Cpl Resources plc is the beneficial owner of a 51% stake and registered owner of 70% of the issued share capital).

All companies, other than Cpl Jobs S.r.o. (Czech Republic), Cpl Jobs S.r.o. (Slovakia), Cpl Jobs Sp z.o.o., Cpl Recruitment S.L., Cpl (Northern Ireland) Limited, Nursefinders UK Limited, Occipital Sarl, Occipital Sp z.o.o, Kate Cowhig International Healthcare Recruitment Limited (UK), Servisource Limited , Cpl Jobs Kft, Deena Energy Services Limited, Cpl Healthcare Global Limited, Kate Cowhig Healthcare Recruitment Portugal LDA, Cpl Jobs Tunisie Sarl have their registered offices at 83 Merrion Square, Dublin 2.

The registered offices of Cpl Jobs S.r.o. are Dita Velcevova, Truhlarska 13-15, Praha 1, 110 00, Czech Republic and Masarykova 26, 602 00 Brno, Czech Republic.

The registered office of Cpl Jobs S.r.o. is Vysoka 14, 811 06, Bratislava, Slovakia.

The registered offices of Cpl Jobs Sp z.o.o. is Al. Jerozolimskie 81, 02-001 Warsaw, Poland and ASCOPOL Business Centre, ul, Jozefa Pilsudskiego 13, 50-118 Wroclaw, Poland.

The registered office of Occipital Sp z.o.o. is ul. Wadowicka 6, 30-415 Krakow, Poland.

The registered office of Cpl Recruitment S.L. is Avenue Portal De L'angel, 42 - Plt 3. Pta A, 08002 Barcelona, Spain.

The registered office of Cpl (Northern Ireland) Limited is Granite House, 31/35 St. Mary's Street, Newry, Co Down.

The registered office of Nursefinders UK Limited is 31 Southampton Row, London, WC1B 5HJ.

Cpl Jobs Kft has a registered office at Teve U.1/ac, 1139 Budapest, Hungary.

The registered office of Servisource Limited is Minshull House, 67 Wellington Road North, Stockport, Cheshire, SK4 2LP.

The registered office of Occipital Sarl is Bureau N° 124 Rue des entrepreneurs, Imm Delta Centre, Charguia 2 Ariana 2035, Tunisia.

The registered office of Kate Cowhig International Healthcare Recruitment Limited (UK) is 31 Southampton Row, London, WC1B 5HJ.

The registered office of Deena Energy Services Limited is Unit 4C, Fingal Bay Business Park, Harry Reynolds Road, Balbriggan, Co. Dublin.

The registered office of Cpl Healthcare Global Limited is Bridge House, 4 Borough Street, London, SE1 PQR.

The registered office of Kate Cowhig Healthcare Recruitment Portugal LDA is Rua Pinto Bessa, 522, RC, ESQ., 4300-428 Porto, Portugal.

The registered office of Cpl Jobs Tunisie Sarl is Boulevard de la Terre, Sana Business Center, Centre Urbain Nord , Bureau A7, Tunis, Tunisie.

14. Deferred tax assets

The movement in temporary differences during the year was as follows:

Group

	1 July 2014 €'000	Arising in profit or loss €'000	Foreign exchange retranslation €'000	30 June 2015 €'000
Property, plant and equipment	41	(32)	-	**9**
Employee benefits	20	(1)	-	**19**
Losses forward	325	70	16	**411**
Deferred tax assets	386	37	16	**439**

A deferred tax asset of €106,000 has not been recognised in respect of losses in operations and certain brands, on the basis that the future benefit is not expected to be utilised.

Company

At 30 June 2015, the Company has a deferred tax asset of €28,123 *(2014 : €31,132)*.

15. Trade and other receivables

	Group		Company	
	2015 €'000	2014 €'000	**2015 €'000**	2014 €'000
Trade receivables	**61,898**	53,317	**-**	-
Accrued Income	**17,721**	15,158	**-**	-
Prepayments and other debtors	**2,212**	1,503	**1,263**	784
Amounts due from subsidiary undertakings	**-**	-	**106,618**	79,393
VAT recoverable	**-**	-	**-**	432
	81,831	69,978	**107,881**	80,609

Amounts due from subsidiary undertakings include a receivable due from Deena Energy Services Limited of €233,308 *(2014 : €nil)* which is a subsidiary not wholly owned. Amounts due are repayable on demand.

16. Net funds

	Group		Company	
	2015	2014	**2015**	2014
	€'000	€'000	**€'000**	€'000
Cash and cash equivalents	**30,475**	30,518	**19,303**	19,964
Cash and cash equivalents in the cash flow statement	**30,475**	30,518	**19,303**	19,964
Net funds	**30,475**	30,518	**19,303**	19,964

17. Share capital, share premium, and other reserves

	2015	2014
	€'000	€'000
Authorised		
50,000,000 ordinary shares at €0.10 each	**5,000**	5,000
Allotted, called up and fully paid		
30,545,159 ordinary shares at €0.10 each	**3,053**	3,053

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Share premium at 30 June 2015 amounted to €1,705,000 *(2014 : €1,705,000)*.

Other reserves comprise an other undenominated capital fund of €666,666 *(2014 : €666,666)*, a capital conversion reserve of €57,000 *(2014 : €57,000)*, a merger reserve of €3,357,000 negative *(2014 : €3,357, 000 negative)* a currency translation reserve of €395,000 negative *(2014 : €91,000 negative)* and a share based payment reserve of €177,000 *(2014 : €54,000)*. The merger reserve arose in 1998 when the Company acquired by way of a share for share exchange the share capital of two group companies formerly under common ownership, management, and control. The translation reserve movement comprises all foreign exchange differences from 1 July 2014 arising from the translation of the net assets of the Group's non-euro denominated operations including the translation of the results of such operations from the average exchange rate for the year to the exchange rate at the balance sheet date.

Capital management

The Board regularly reviews and monitors the Company's capital structure with a view to maintaining a strong capital base. This involves considering dividends paid to shareholders, the amount of liquid assets on the balance sheet and return on capital. The Company has the authority to purchase its own shares. This authority permits the Company to buy up to 10 per cent of the issued share capital at a price which may not exceed 105% of the average price over the previous five trading days. Any shares which may be purchased will be acquired and cancelled. Any purchases should have a positive effect on earnings per share.

Notes (continued)

18. Provisions

Deferred and contingent consideration

	Group	Company
	€'000	€'000
Balance at 30 June 2014	75	75
Paid during the year	(75)	(75)
Balance at 30 June 2015	**-**	**-**

19. Trade and other payables

Amounts falling due in less than one year:

	Group		Company	
	2015	2014	**2015**	2014
	€'000	€'000	**€'000**	€'000
Trade creditors	**2,576**	1,817	**2,073**	1,571
Accruals	**27,738**	23,592	**1,327**	825
Deferred income	**349**	389	**-**	-
VAT	**9,174**	8,004	**8,024**	-
PAYE/PRSI	**5,896**	7,090	**-**	-
Amounts due to subsidiary undertakings	**-**	-	**125,349**	103,438
	45,733	40,892	**136,773**	105,834

Amounts due to subsidiary undertakings are repayable on demand.

Notes (continued)

20. Non-controlling interest

During the year the Group subscribed for shares in a new start up company – Deena Energy Services Limited. Cpl Resources plc is the beneficial owner of a 51% stake in Deena Energy Services Limited and the registered owner of 70% of the issued share capital of Deena, but by way of a Declaration of Trust and Agreement dated 18 December 2014, it holds 190 shares (being 19% of the issued share capital) in trust.

	2015 €'000
Non-controlling interest percentage	**49%**
Current assets	**119**
Non-current assets	**2**
Non-current liabilities	**(233)**
Current liabilities	**(70)**
Net (liabilities)	**(182)**
Revenue	**101**
(Loss) for the year	**(182)**
(Loss) after tax attributable to non-controlling interest	**(89)**
Cash flows from operating activities	**6**
Cash flows from investment activities	**(2)**
Net increase in cash and cash equivalents	**4**

21. Operating leases

The Group leases certain property, plant and equipment under operating leases. The leases typically run for an initial lease period with the potential to renew the leases after the initial period. During the year, €575,932 *(2014 : €219,167)* was recognised as an expense in the income statement in respect of operating leases.

Non-cancellable operating lease rentals are payable as set out below. These amounts represent the minimum future lease payments, in aggregate, that the Group is required to make under existing lease agreements.

	2015 €'000	2014 €'000
Payable in:		
Less than one year	**715**	198
Between one and five years	**2,004**	478
Greater than five years	**-**	-
	2,719	676

Notes (continued)

22. Pension arrangements

The Group contributes to defined contribution schemes for certain senior executives by way of contributions to unit linked funds. The Group's annual contributions are charged to the income statement in the year to which they relate. Details of contributions made on behalf of the directors during the year are set out in note 5. Amounts due to pension schemes at 30 June 2015 amounted to €200,485 *(2014 : €193,097)*.

23. Financial instruments and risk management

The Group and Company are exposed to various financial risks that include credit risk and liquidity risk. The Group has a risk management programme in place which seeks to limit the impact of these risks on the financial performance of the Group. The Board has determined policies for managing these risks. It is the policy of the Board to manage these risks in a non-speculative manner.

(a) Credit risk

Credit risk arises from credit to customers and on outstanding receivables and cash balances.

The Group holds significant cash balances, which are invested on a short term basis and are classified as either cash equivalents or short term deposits. These deposits give rise to credit risk on amounts due from counterparties. Credit risk is managed by limiting the aggregate amount and duration of exposure to any one counterparty through regular reviews of market-based ratings, Tier 1 capital and other factors. The Group typically does not enter into deposits with a duration of more than 12 months.

The cash and cash equivalents are held with bank and financial institution counterparties, which are AA2 to BA3, based on rating agency ratings.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Group's exposure to credit risk is influenced by the individual characteristics of each customer. There is no concentration of credit risk by dependence on individual customers.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures.

The impairment provisions are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible, at which point the amount is considered irrecoverable and is written off directly against the trade receivable.

23. Financial instruments and risk management (continued)

The following table details the ageing of the gross trade receivables and the related impairment provisions in respect of specific amounts:

Group

	Gross Value	**Impairment**	Gross Value	Impairment
	30 June 2015	**30 June 2015**	30 June 2014	30 June 2014
	€'000	**€'000**	€'000	€'000
Not past due	**50,968**	**-**	48,521	-
Past due 0 - 30 days	**4,454**	**-**	2,488	(2)
Past due 31 - 120 days	**5,697**	**-**	1,682	(9)
Past due 121 - one year	**919**	**(140)**	790	(167)
More than one year	**81**	**(81)**	122	(108)
Total	**62,119**	**(221)**	53,603	(286)

Company

The Company had no trade receivables outstanding at 30 June 2015 *(2014 : €nil)*.

Group

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

	30 June 2015	30 June 2014
	€'000	€'000
Balance at start of year	**286**	237
Charged in year	**221**	286
Released	**-**	-
Utilised in the year	**(286)**	(237)
Balance at end of year	**221**	286

Notes (continued)

23. Financial instruments and risk management (continued)

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

	30 June 2015 €'000	30 June 2014 €'000
Euro	**56,173**	49,408
Sterling	**958**	1,121
Hungarian Forint	**3,393**	2,066
Czech Koruna	**497**	558
Tunisian Dinar	**353**	-
Polish Zloty	**522**	164
USD	**2**	-
	61,898	53,317

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Group's reputation.

The Group adopts an efficient working capital model in order to minimise liquidity risk. The Group has significant cash resources to provide flexibility in financing existing operations and acquisitions.

23. Financial instruments and risk management (continued)

The following are the contractual maturities of the financial liabilities:

Group - 2015	Carrying amount €'000	Contractual cash flows €'000	6 months or less €'000	6 - 12 months €'000	+ 1 year €'000
Non-derivative financial liabilities					
Trade and other payables	**30,663**	(30,663)	(30,663)	-	-
Provisions	**-**	-	-	-	-
	30,663	(30,663)	(30,663)	-	-

Group - 2014	Carrying amount €'000	Contractual cash flows €'000	6 months or less €'000	6 - 12 months €'000	+ 1 year €'000
Non-derivative financial liabilities					
Trade and other payables	**25,798**	(25,798)	(25,798)	-	-
Provisions	**75**	(75)	(75)	-	-
	25,873	(25,873)	(25,873)	-	-

Company - 2015	Carrying amount €'000	Contractual cash flows €'000	6 months or less €'000	6 - 12 months €'000	+ 1 year €'000
Non-derivative financial liabilities					
Trade and other payables	**128,749**	(128,749)	(128,749)	-	-
Provisions	**-**	-	-	-	-
	128,749	(128,749)	(128,749)	-	-

Company - 2014	Carrying amount €'000	Contractual cash flows €'000	6 months or less €'000	6 - 12 months €'000	+ 1 year €'000
Non-derivative financial liabilities					
Trade and other payables	**105,834**	(105,834)	(105,834)	-	-
Provisions	**75**	(75)	(75)	-	-
	105,909	(105,909)	(105,909)	-	-

23. Financial instruments and risk management (continued)

(c) Interest rate risk

The Group's balance sheet contains interest bearing assets.

Cash flow sensitivity analysis

At 30 June 2015, the average interest rate being earned on the Group's cash and cash equivalents and short term deposits was 0.9% *(2014 : 1.1%)*. An increase or decrease of 50 basis points in interest rates at the reporting date would have the following effect on the income statement and equity. This analysis assumes that all other variables remain constant. The analysis was performed on the same basis for 2014.

	50 basis point increase		**50 basis point decrease**	
	Income Statement	Equity	Income Statement	Equity
30 June 2015				
Variable rate adjustments	**69**	**-**	**(69)**	**-**
30 June 2014				
Variable rate adjustments	76	-	(76)	-

(d) Currency risk

The Group has no material exposure to foreign currency risk as most of the assets and liabilities of the Group are denominated in euro, the functional currency of the Company and the currency in which these financial statements are presented.

(e) Fair values

Cash and cash equivalents

For cash and cash equivalents, all of which have a remaining maturity of less than 3 months, the nominal amount is deemed to reflect fair value.

Trade and other receivables

For receivables and payables with a remaining life of less than 6 months or demand balances, the carrying value less impairment provision, where appropriate, is deemed to reflect fair value.

Trade and other payables

For all short term and current liabilities the carrying value is deemed to reflect fair value.

Notes (continued)

24. Commitments and contingencies

The Company has guaranteed the liabilities of all of its subsidiaries incorporated in the Republic of Ireland (see note 13) for the purpose of obtaining exemptions allowed under Section 357 of the Companies Act 2014, in relation to filing financial statements. These irrevocable guarantees cover the financial year ended 30 June 2015.

25. Related party transactions

Group

Under IAS 24, Related Party Disclosures, the Group has a related party relationship with its directors. Transactions with the directors are as follows:

The Group has paid €197,772 in 2015 (2014: €197,772) in respect of one of its offices in Dublin 2, which is leased by the Group from an entity connected to executive directors, Anne Heraty and Paul Carroll, at a rate based on the advice of an independent property advisor. The lease expires in November 2017 and is subject to rent reviews every 3 years. The annual commitment is €197,772.

IAS 24 also requires the disclosure of compensation paid to the Group's key management personnel. In the case of Cpl, key management personnel is deemed to comprise the directors of Cpl Resources plc and the Chief Financial Officer. The remuneration of key management personnel for the year ended 30 June 2015 comprises of short term benefits (salary, bonus, incentives) of €1,366k *(2014: €961k)* and post-employee benefits of €211k *(2014: €190k)*. The directors interests in shares are set out in the Directors' Report. A final dividend of 5.0 cent per share *(2014 : 5.0 cent)* is proposed by the directors. The directors shareholdings are disclosed in the Directors Report.

Company

The Company has a related party relationship with its subsidiaries and with the directors of the Company. Transactions with subsidiaries are as follows:

	2015	2014
	€'000	€'000
Dividends received from subsidiaries	**3,395**	5,097
Group expenses recharged to subsidiaries	**8,299**	5,317

Directors of the Company and their immediate relatives control 36.85% *(2014 : 36.85%)* of the voting shares of the Company. The executive directors are employees of the Company and details of their remuneration is set out in note 5 of the financial statements.

Notes (continued)

26. Share Based Payments

On 27 February 2014 under the Cpl Resources plc 2013 Long Term Incentive Plan adopted at the AGM on 21 October 2013 (the "LTIP"), the Remuneration Committee of Cpl granted conditional share awards (the "LTIP Awards"). In accordance with the provisions of the plan, executives and senior employees were granted a conditional right to subscribe for ordinary shares subject to performance conditions.

The Group's equity share awards are equity settled share based payments as defined in IFRS 2: Share Based Payments. The total share based payment charge for the year has been calculated based on grant date fair value of €6.90 per share award obtained using the Black Scholes pricing model. The charge for the year is €123,000 *(2014: €54,000)*. Included in the charge is €9,741 *(2014: €4,000)* in relation to executive directors.

The LTIP Awards grant eligible employees a conditional right to subscribe for ordinary shares of nominal value €0.10 each in the Company ("Ordinary Shares") upon payment of the nominal value. Each share award will equate to one ordinary share of Cpl Resources plc on vesting and awards do not carry rights to dividends nor voting rights until vested. The awards may be exercised at any time from the date of vesting to the date of their expiry. The awards vest subject to the achievement of certain service and non-market performance conditions.

The Company granted 50,000 LTIP Awards to Garret Roche in the year ended 30 June 2014, an executive director of the Company. Up to a further 18 eligible employees of the Company have been granted LTIP Awards over a maximum total of 665,000 Ordinary Shares. No other LTIP Awards are outstanding at 30 June 2015. There were no further awards in the year ended 30 June 2015.

Vesting of the LTIP Awards is subject to a non-market performance condition measuring the Company's adjusted earnings per share ("EPS") growth over the period of three years commencing 1 January 2014. If, over the three year period from 1 January 2014 to 31 December 2016, the average annualised EPS is less than €0.44, no LTIP Awards will vest. 50% of the LTIP Awards will vest for average annualised EPS of €0.44, rising on a straight-line basis to full vesting for average annualised EPS of €0.51 or higher. The LTIP Awards will vest three years from the date of grant subject to meeting the vesting conditions and the right to subscribe for vested LTIP Award shares must be exercised within six months of the vesting date. Under the vesting terms of the LTIP and in addition to the EPS target explained above, employees were required to purchase shares in Cpl Resources plc to the value of 10% of their gross salary by 30 June 2015 and remain employed by Cpl Resources at vesting date.

The share price at grant date was €7.25. The key assumptions and inputs to the valuation model to calculate the grant date fair value include the exercise price, the grant date share price, dividend yield of 0%, and expected volatility of 20%, risk free interest rate of 1% and an expected award life of 3 years. The grant date fair value of each award has been determined as €6.90. The number of shares that are expected to vest (71,500) are based on the expectations of management including the probability and behavioural considerations of meeting service and non-market conditions attaching to the award and is not necessarily indicative of exercise patterns that may occur. As expectations regarding probability of vesting changes, the charge to profit or loss will be amended.

No awards vested, were forfeited, were exercised, or expired in the financial year to 30 June 2015. 715,000 awards were outstanding and unvested at 30 June 2015 and 30 June 2014.

Notes (continued)

27. Post balance sheet events

On 2 September 2015 the Group acquired an 89.8% stake in Pharma Professionals Limited ("PPG"). PPG is the parent company of Clinical Professionals Limited a leading UK based Pharmaceutical and Life Science recruitment company. 63.5% (€5.1 million – based on exchange rates as at 2 September 2015) of the potential total consideration payable was paid at completion. The balance is contingent on certain earn out targets being achieved.

28. Approval of financial statements

The consolidated financial statements were approved by the directors on 2 September 2015.

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