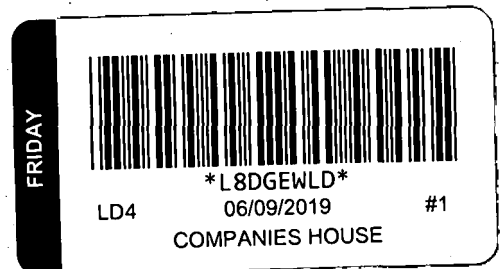


Registered number: 08822607

Randstad Luxembourg UK Limited

Annual report and financial statements

For the year ended 31 December 2018



Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

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Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Officers and professional advisers

Directors

M Smith
J Van den Broek
D Bruce

Registered office

450 Capability Green
Luton
Bedfordshire
LU1 3LU
United Kingdom

Bankers

Barclays Bank plc
27th Floor
1 Churchill Place
London
E14 5HP
United Kingdom

Independent auditor

Deloitte LLP
Statutory Auditor
3 Victoria Square, Victoria Street
St Albans
Hertfordshire
AL1 3TF
United Kingdom

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Strategic Report

The directors present their strategic report on the company for the year ended 31 December 2018.

Principal activity

The company's principal activity is that of a holding company for Randstad's US investments. The company is a wholly owned subsidiary of Randstad Group UK; the ultimate parent company is Randstad NV, a company incorporated in the Netherlands. The group provides professional staffing services. The directors continue to develop the business of the group companies in each of their respective sectors.

Review of the business

As shown in the company's statement of comprehensive income on page 9, the company achieved a profit before taxation of £nil (2017: £82,192,000). The profit before tax in the prior year was wholly attributable to dividends received from its subsidiary company, there were no such dividends in the current year. As at 31 December 2017 and 2018, the company had £1,077,890,000 of net assets.

Principal risks and uncertainties

The principal risks facing the company continue to be those impacting its subsidiary companies registered in the US; these risks are being addressed directly by the US management. The US is in the late stages of the economic cycle, which gives rise to some uncertainty, however consumers remain optimistic thanks to low unemployment and fast wage growth. According to the Conference Board the economy is set to enjoy solid though not spectacular performance this year. Overall 2019 data so far point to more challenging business conditions than 2018.

Key Performance Indicators

Given the straight forward nature of the business, we are of the opinion that analysis using key performance indicators is not necessary for the understanding of the development, performance and position of the business.

Going concern

The directors have prepared forecasts for a period of at least 12 months from the date of approval of these financial statements, which show that the company will be able to meet its liabilities as they fall due.

Day to day financing for the company is managed by Randstad UK Holding Limited which is, in turn, financed by Randstad Group UK. Randstad Group UK heads up the UK group of companies and has itself received a letter of support from Randstad Finance GmbH, the main financing entity of the wider Randstad NV group.

The directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the next 12 months from the date of approval of the financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Approved by the board of directors and signed on its behalf by:



D Bruce
Director
6 June 2019

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Directors' Report

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2018.

Future developments

The US staffing market is projected to grow in low single digits in 2019, similar to 2018. Randstad is well placed to grow at these levels, with improvement in growth rates in the professional skill sets, with some levelling off in growth in commercial staffing especially in industrial positions.

Dividends

The directors did not recommend a final dividend in 2018 (2017: £nil), and no interim dividend was paid during 2018 (2017: £82,192,000).

Financial risk management

The Randstad group's corporate treasury function provides services to the company, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include liquidity risk and cash flow risk.

Liquidity risk

The company consistently monitors its liquidity and funding to ensure that adequate funding is available for on-going and future operations.

Cash flow risk

The company's principal financial assets are amounts due from group undertakings.

Directors

The directors of the company who held office during the year and up to the date of signing the financial statements, unless otherwise stated, are given below:

M Bull (resigned 11 April 2019)
C Bradshaw (resigned 31 May 2018)
J Van den Broek
D Bruce (appointed 2 July 2018)
M Smith (appointed 15 April 2019)

Post Balance Sheet Events

Since the balance sheet date there has been a change of Director, shown above, but no other post balance sheet events to note.

Directors' liabilities

The company had no directors' indemnities in place during the year.

Going concern

Information on the going concern status of the company can be found in the Strategic Report on page 3.

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Directors' Report (continued)

Independent auditor

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

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. Deloitte LLP has expressed their willingness to continue in office as auditor.

Directors' Responsibilities Statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

Approved by the board of directors and signed on its behalf by



D Bruce
Director
6 June 2019

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Independent auditor's report to the members of Randstad Luxembourg UK Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Randstad Luxembourg UK Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

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

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Independent auditor's report to the members of Randstad Luxembourg UK Limited
(continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Randstad Luxembourg UK Limited

Annual report and financial statements for the year ended 31 December 2018

**Independent auditor's report to the members of Randstad Luxembourg UK Limited
(continued)**

Matters on which we are required to report by exception

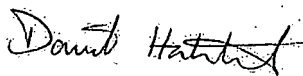
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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



David Halstead (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditors
St Albans, United Kingdom
6 June 2019

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Statement of comprehensive income
For the year ended 31 December 2018

	<i>Note</i>	2018 £000	2017 £'000
Income from subsidiaries	6	-	82,192
Operating profit		-	82,192
Profit before tax		-	82,192
Tax	5	-	-
Profit for the year	4	-	82,192
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		-	82,192

All activities relate to continuing operations.

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Statement of financial position

As at 31 December 2018

	<i>Note</i>	2018 £000	2017 £000
Non-current assets			
Investments in subsidiaries	7	1,077,890	1,077,890
Net assets		1,077,890	1,077,890
Equity			
Share capital	8	1,077,890	1,077,890
Total shareholder's funds		1,077,890	1,077,890

The notes on pages 12 to 24 are an integral part of these financial statements.

These financial statements were approved by the board of directors and authorised for issue on 6 June 2019 and were signed on its behalf by:



D Bruce
Director

Company registered number: 08822607

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Statement of changes in equity

For the year ended 31 December 2018

	<i>Note</i>	Called up share capital £000	Retained earnings £000	Total shareholders' funds £000
Balance as at 1 January 2017		1,077,890	-	1,077,890
Profit for the financial year		-	82,192	82,192
Total comprehensive income for the year		-	82,192	82,192
Dividends	6	-	(82,192)	(82,192)
Balance as at 31 December 2017		1,077,890	-	1,077,890
Balance as at 1 January 2018		1,077,890	-	1,077,890
Result for the financial year		-	-	-
Total comprehensive income for the year		-	-	-
Balance as at 31 December 2018		1,077,890	-	1,077,890

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Notes to the financial statements

1 General information

Randstad Luxembourg UK Limited (the "Company") is a private company limited by shares and incorporated and registered in the United Kingdom (England and Wales), under the Companies Act 2006. The company's principal activity continues to be that of a holding company for Randstad's US investments. Refer to page 3 for the registered office address.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Randstad Luxembourg UK Limited have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006, as applicable to companies using FRS101.

The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is included by full consolidation in the consolidated financial statements of its ultimate parent, Randstad NV, a company incorporated in the Netherlands.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions.

The reason for the exemption is due to the company being a qualifying entity that is a member of a group where the parent of that group prepares publicly available consolidated financial statements which are intended to give a true and fair view, and that the company is included in the consolidation. More details on this reporting entity can be found in Note 10.

2.1.1 Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence in the next 12 months from the date of approval of the financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Further information in relation to going concern is set out in the Going Concern section of the Strategic Report.

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Notes to the financial statements (continued)

2. Summary of significant accounting policies (continued)

2.1.2 Changes in accounting policy and disclosures

New IFRSs that are mandatorily effective for the year ended 31 December 2018

In the current year, the company adopted new "IFRS" 9 'Financial Instruments' and IFRS 15 'Revenue from contracts with customers'. Both have no material impact on the valuation and classification of the assets and liabilities of the company, nor on its income statement. Accordingly, the opening balance of retained earnings and comparative figures have not been adjusted.

Impact of initial application of IFRS 9 Financial Instruments

In the current year, the Company has applied IFRS 9 Financial Instruments (as revised in July 2014) and the related consequential amendments to other IFRS Standards that are effective for an annual period that begins on or after 1 January 2018. The transition provisions of IFRS 9 allow an entity not to restate comparatives.

IFRS 9 introduced new requirements for:

1. The classification and measurement of financial assets and financial liabilities,
2. Impairment of financial assets, and
3. General hedge accounting.

Details of these new requirements as well as their impact on the Company's financial statements are described below.

The Company has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9.

(a) Classification and measurement of financial assets

The date of initial application (i.e. the date on which the Company has assessed its existing financial assets and financial liabilities in terms of the requirements of IFRS 9) is 1 January 2018. Accordingly, the Company has applied the requirements of IFRS 9 to instruments that continue to be recognised as at 1 January 2018 and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018.

All recognised financial assets that are within the scope of IFRS 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortised cost;
- debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at fair value through other comprehensive income (FVTOCI);
- all other debt investments and equity investments are measured subsequently at fair value through profit or loss (FVTPL).

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Notes to the financial statements (continued)

2.1.2 Changes in accounting policy and disclosures (continued)

Despite the foregoing, the Company may make the following irrevocable election / designation at initial recognition of a financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is not held for trading in other comprehensive income; and
- the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

The application of IFRS 9 has had no impact on the classification and measurement of the Company's financial assets.

(b) Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Specifically, IFRS 9 requires the Company to recognise a loss allowance for expected credit losses on:

1. Debt investments measured subsequently at amortised cost; and
2. Trade receivables and contract assets.

In particular, IFRS 9 requires the Company to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset. However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit-impaired financial asset), the Company is required to measure the loss allowance for that financial instrument at an amount equal to 12-months ECL. IFRS 9 also requires a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables and contract assets in certain circumstances.

The application of IFRS 9 has had no impact on the impairment of the Company's financial liabilities.

(c) Classification and measurement of financial liabilities

A significant change introduced by IFRS 9 in the classification and measurement of financial liabilities relates to the accounting for changes in the fair value of a financial liability designated as at FVTPL attributable to changes in the credit risk of the issuer. Specifically, IFRS 9 requires that the changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

The application of IFRS 9 has had no impact on the classification and measurement of the Company's financial liabilities.

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Notes to the financial statements (continued)

2.1.2 Changes in accounting policy and disclosures (continued)

(d) General hedge accounting

The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required.

The company did not adopt any hedge accounting in either the current year or the preceding year. Accordingly, the adoption of IFRS 9 has had no impact in relation to hedge accounting.

Impact of application of IFRS 15 Revenue from Contracts with Customers

In the current year, the Company has applied IFRS 15 Revenue from Contracts with Customers (as amended in April 2016) which is effective for an annual period that begins on or after 1 January 2018. IFRS 15 introduced a 5-step approach to revenue recognition. More prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Details of the new requirements as well as their impact on the Company's financial statements are described below.

The Company has applied IFRS 15 in accordance with the fully retrospective transitional approach without using the practical expedients for completed contracts in IFRS 15.C5(a), and (b), or for modified contracts in IFRS 15.C5(c).

IFRS 15 uses the terms 'contract asset' and 'contract liability' to describe what might more commonly be known as 'accrued revenue' and 'deferred revenue', however the Standard does not prohibit an entity from using alternative descriptions in the balance sheet.

The Company's accounting policies for its revenue streams are disclosed in detail in note 2 below. Apart from providing more extensive disclosures for the Company's revenue transactions, the application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the Company.

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Notes to the financial statements (continued)

2.2 Foreign exchange transactions

(a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.3 Investments

Investments in subsidiaries are carried at cost less accumulated impairment losses. Investments are tested for impairment, if indications of impairment are identified, by comparing the carrying value to the investments recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to dispose and its value in use.

The value in use is determined by an independent valuation undertaken by Duff & Phelps. This is done at the request of the parent company Randstad NV and is done for all subsidiaries in the group.

2.4 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.5 Dividend income

Dividend income is recognised when the right to receive payment is established.

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Notes to the financial statements (continued)

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The directors do not consider that there are any critical judgements in applying the Company's accounting policies, apart from those involving estimations (which are dealt with separately below).

Key sources of estimation uncertainty

The key assumptions concerning the future, or other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of investments

The company tests investments annually for impairment or more frequently if there are indicators of impairment. The value in use is determined by an independent valuation undertaken by Duff & Phelps. This is done at the request of the parent company Randstad NV and is done for all subsidiaries in the group.

4 Profit for the year

Audit fees for the current period were £15,000 (2017: £15,000), which were borne by a fellow group company.

The company did not have any employees in either the current or the preceding year.

None of the directors received any remuneration for services provided to the company in either the current or preceding year.

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Notes to the financial statements (continued)

5 Tax

The total tax charge (2017: charge) for the year is the same as (2017: lower than) the standard effective rate of corporation tax in the UK of 19% (2017: 19.25%). The reconciliation of the effective tax rate is stated below.

	2018 £'000	2017 £'000
Profit before tax	-	82,192
Tax using the standard UK corporation tax rate of 19% (2017: 19.25%)	-	15,822
Effects of:		
Non taxable income	-	(15,822)
Tax charge	-	-

Factors that may affect future tax charges

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted by the statement of financial position date being 20% with effect from 1 April 2015, 19% effective from 1 April 2017 and 17% effective from 1 April 2020.

The directors do not consider there to be any material impact of the Finance Act 2019, which received Royal Assent in February 2019.

6 Dividends paid

	2018 £'000	2017 £'000
Amounts recognised as distributions to equity holders in the year:		
Interim dividend for the year/period of £0.00 per share (2018: £0.08)	-	82,192

7 Investments and dividend income

All investments relate to shares in group undertakings.

Cost	Shares in group undertakings	2018 £'000	Shares in group undertakings	2017 £'000
At 1 January/date of inception	1,077,890	1,077,890	1,077,890	1,077,890
Additions	-	-	-	-
At 31 December	1,077,890	1,077,890	1,077,890	1,077,890

There were no indicators of impairment identified during the year (2017: none).

No dividends were received from investments during the year (2017: £82,192,000).

Randstad Luxembourg UK Limited
Annual report and financial statements for the year ended 31 December 2018

Notes to the financial statements (continued)

7 Investments and dividend income (continued)

At 31 December 2018 the company held the following investments in its subsidiary undertakings:

Name of Company	Registered address	Place of incorporation/operation	Principal Activities	Proportion of ordinary share capital held by the company	
				Directly	Indirectly
Randstad North America, Inc.	1	US	Staffing Services	100%	-
B2B General Partner, LLC	1	US	Staffing Services	-	100%
SFN Group, LLC	1	US	Staffing Services	-	100%
Randstad Professionals US, LLC	1	US	Staffing Services	-	100%
Locum Medical Group LLC	1	US	Staffing Services	-	100%
Randstad Federal, LLC	1	US	Staffing Services	-	100%
Randstad Technologies, LLC	1	US	Staffing Services	-	100%
Randstad Insurance, LLC	1	US	Staffing Services	-	100%
Randstad General Partner (US) LLC	1	US	Staffing Services	-	100%
Randstad US, LLC	1	US	Staffing Services	-	100%
Randstad Inhouse Services, LLC	1	US	Staffing Services	-	100%
Technisource Technology Consulting Pvt Ltd	1	IN	Staffing Services	-	100%
Technisource (Mauritius) Limited	1	MAU	Staffing Services	-	100%
Spherion Staffing LLC	1	US	Staffing Services	-	100%
Spherion Financial Corporation	1	US	Staffing Services	-	100%
Randstad HR Solutions of Delaware, LLC	1	US	Staffing Services	-	100%
Temp Force, LLC	1	US	Staffing Services	-	100%
RiseSmart, Inc	2	US	Staffing Services	-	100%
Risesmart HR Services Private Limited	29	IN	Staffing Services	-	100%
Monster Worldwide, Inc	28	US	Staffing Services	-	100%
Monster International Holding Corp	28	US	Staffing Services	-	100%
Monster Worldwide Deutschland Holdings GmbH	4	GER	Staffing Services	-	100%
Monster Worldwide Deutschland GmbH	4	GER	Staffing Services	-	100%
Jobpilot Malaysia Sdn Bhd	5	MA	Staffing Services	-	100%
Jobpilot (Thailand) Co., Ltd.	6	TH	Staffing Services	-	100%
Jobs & Adverts Jobpilot (Thailand) Ltd.	6	TH	Staffing Services	-	100%
Jobpilot Singapore Pte. Ltd.	7	SG	Staffing Services	-	100%
Jobpilot Finland Oy	8	FI	Staffing Services	-	100%
Jobpilot NL B.V.	9	NL	Staffing Services	-	100%
Monster Worldwide Austria GmbH	10	AT	Staffing Services	-	100%

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Notes to the financial statements (continued)

7 Investments and dividend income (continued)

Name of Company	Registered address	Place of incorporation/operation	Principal Activities	Proportion of ordinary share capital held by the company	
				Directly	Indirectly
Monster Worldwide Switzerland AG	11	CH	Staffing Services	-	100%
Monster Worldwide Netherlands Holding B.V.	12	NL	Staffing Services	-	100%
TMP Telephone Marketing Programs Ltd.	14	UK	Staffing Services	-	100%
Monster Worldwide Holdings Limited	14	UK	Staffing Services*	-	100%
Monster Worldwide Limited	14	UK	Staffing Services*	-	100%
Monster Executive Services Limited	14	UK	Staffing Services*	-	100%
Bid Borough Ltd.	27	BVI	Staffing Services*	-	100%
TMP Worldwide Italia SpA	13	IT	Staffing Services*	-	99.50%
Monster Italia Srl	13	IT	Staffing Services*	-	100%
Monster Worldwide SAS	15	FR	Staffing Services*	-	100%
Monster Luxembourg SA	16	LU	Staffing Services*	-	100%
Austin Knight Incorporated (dormant)	17	US	Staffing Services*	-	100%
Monster Worldwide, SL	18	SP	Staffing Services*	-	100%
Monster Belgium NV	19	BE	Staffing Services*	-	100%
Monster Worldwide Holdings Canada Inc.	20	CA	Staffing Services*	-	100%
Monster Worldwide Canada Inc.	20	CA	Staffing Services*	-	100%
Monster Worldwide Holdings (Ireland) Ltd.	21	IR	Staffing Services*	-	100%
Monster Worldwide Ireland Limited	21	IR	Staffing Services*	-	100%
Tickle Inc. (dormant)	28	US	Staffing Services*	-	100%
Monster Worldwide South Carolina, Inc.	28	US	Staffing Services*	-	100%
Gozalk LLC	3	US	Staffing Services*	-	100%
Gozalk Software India Private Limited	22	IN	Staffing Services*	-	99.80%
Military Advantage, Inc.	28	US	Staffing Services*	-	100%
Monster.com Asia Pacific Ltd.	23	HK	Staffing Services*	-	100%
Monster.com Asia Ltd.	23	HK	Staffing Services*	-	100%
Affinity Labs, LLC	28	US	Staffing Services*	-	100%
FastWeb, LLC	28	US	Staffing Services*	-	100%
Monster Government Solutions, LLC	28	US	Staffing Services*	-	100%
Monster Emerging Markets, LLC	28	US	Staffing Services*	-	100%

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Notes to the financial statements (continued)

7 Investments and dividend income (continued)

Name of Company	Registered address	Place of incorporation/operation	Principal Activities	Proportion of ordinary share capital held by the company	
				Directly	Indirectly
Monster Recruitment South Africa (Pty) Ltd	24	SA	Staffing Services*		100%
Kununu US, LLC	28	US	Staffing Services*		50%
Monster Technologies Malaysia Sdn. Bhd.	25	MA	Staffing Services*		100%
OCC.com, Inc.	28	US	Staffing Services*		100%
Monster CZ Holdings, LLC	28	US	Staffing Services*		100%
Monster Worldwide Scandinavia AB	26	SE	Staffing Services*		99.90%
Monster Worldwide CZ s.r.o.	30	CZ	SSC		100%

At 31 December 2018 the company held the following Investments in its associate undertakings:

Name of Company	Registered address	Place of incorporation/operation	Principal Activities	Proportion of ordinary share capital held by the company	
				Directly	Indirectly
Alma Career Oy (F/K/A Monster Oy)	31	FI	Staffing Services*	-	16.66%
TAU on-Line d.o.o. za Informatiku	32	CRO	Staffing Services*	-	16.66%
LMC s.r.o.	33	CZ	Staffing Services*	-	16.66%
Profesia, spol. s r.o.	34	SL	Staffing Services*	-	16.66%
Profesia, spol. s r.o.	35	CZ	Staffing Services*	-	16.66%
Monster Career CZ s.r.o.	36	CZ	Staffing Services*	-	16.66%
CV Online Holding OÜ	37	EST	Staffing Services*	-	16.66%
SIA CV-Online Latvia	38	LAT	Staffing Services*	-	16.66%
UAB CV-Online LT	39	LIT	Staffing Services*	-	16.66%
CV-Online Estonia OÜ	37	EST	Staffing Services*	-	16.66%
Monster Worldwide Magyarország Szolgáltató Kft	40	HU	Staffing Services*	-	16.66%
Monster Worldwide Polska Sp. Z o.o.	41	PL	Staffing Services*	-	16.66%

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Notes to the financial statements (continued)

7 Investments and dividend income (continued)

The registered addresses of the subsidiary undertakings are indicated as follows:

- 1 One Overton Park, 3625 Cumberland Boulevard, Suite 600, Atlanta, Georgia 30339, United States
- 2 55 S Almaden Blvd , 800, San Jose CA, 95113, United States
- 3 84 State Street, Boston MA 02109 USA
- 4 Ludwig-Erhard-Str. 12-14, D-65760, Eschborn, Germany
- 5 Kuala Lumpur, Wilayah Persekutuan, Malaysia
- 6 246 Sukhumvit Road Between Sol 12-14, Klong Toei, 10110 Thailand
- 7 80 Robinson Road, Singapore 068898
- 8 c/o Aatos Bergmann Oy, Eteläranta 4 B 9, 00130 Helsinki
- 9 Jobplot NL B.V. Herikerbergweg 238 Luna Arena, 1101 CM Amsterdam Zuidoost
- 10 Salztorgasse 2, Vienna, Austria 1010
- 11 Bändliweg 20, CH 8048 Zürich, Switzerland
- 12 Amsterdam, John M. Keynesplein 1, 1066 EP, Netherlands
- 13 Via Ruggero Bosovich 18, 20124 Milan, Italy
- 14 Chancery House, 53-64 Chancery Lane, London, WC2A 1QS
- 15 14-16 rue Clément Bayard, Levallois-Perret, France
- 16 20, rue Eugène Ruppert, L-2435 Luxembourg
- 17 80 State Street Albany NY 12207-2543 USA
- 18 Paseo de la Castellana, 141 8ª Pta. - Edificio Cuzco IV - 28046 Madrid
- 19 Medialaan 28/B, 1800 Vilvoorde, Belgium
- 20 2020 University Avenue, Suite 2000, Montreal, Québec, Canada H3A 2A5
- 21 Suite 10, 20 Harcourt Street, Dublin 2, Ireland
- 22 8-2-293-82/A, Plot No. 1024 & 1024/1, Road No. 45, Jubilee Hills Hyderabad- 500033, India
- 23 Unit 1504-6, 15/F Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong
- 24 Old Warehouse Building Black River Park Fir Street, Observatory, Western Cape 7925
- 25 Level 21, Suite 21.01, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur, Malaysia
- 26 Stureplan 19, 103 67 Stockholm, Sweden
- 27 British Virgin Islands
- 28 251 Little Falls Drive Wilmington DE 19808 USA
- 29 Marisoft-III, East Wing, 3rd Floor, Kalyani Nagar, Pune - 411 014, India
- 30 Praha 8, Rohanské nábřeží 670/19, Postal Code 186 00, the Czech Republic

The registered addresses of the associate undertakings are indicated as follows:

- 31 Alvar Aallonkatu 3 C, P.O. Box 140, 00101 Helsinki, Finland
- 32 Zagreb, HONDLOVA 2/11, Croatia
- 33 Lighthouse Towers, Jankovcova 1569/2c, 170 00 Praha 7, the Czech Republic
- 34 Příbina 25, Bratislava 811 09, Slovakia
- 35 Nové Město, Opletalova 1015/55, okres Praha hl.m., Postal Code 110 00, the Czech Republic
- 36 Praha 8, Rohanské nábřeží 670/19, Postal Code 186 00, the Czech Republic
- 37 Pärnu mnt 141, Tallinn, 11314 Estonia
- 38 Kr. Valdemara iela 33-33, LV-1010, Riga, Latvia
- 39 Švitrigailos g.11M, LT-03228, Vilnius, Lithuania
- 40 Váci út 18. I. em., 1132 Budapest, Hungary
- 41 ul. Postępu 15B, 02-676 Warsaw, Poland

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Notes to the financial statements (continued)

8 Called up share capital

	2018 £'000	2017 £'000
Authorised		
1,077,889,861 (2017: 1,077,889,861) ordinary shares of £1 each	1,077,890	1,077,890
	1,077,890	1,077,890
Issued and fully paid		
1,077,889,861 (2017: 1,077,889,861) ordinary shares of £1 each	1,077,890	1,077,890
	1,077,890	1,077,890

9 Related party transactions

During the year no recharges have been made to subsidiaries or associates.

10 Controlling parties

Randstad Group UK, a company incorporated in the United Kingdom, is the immediate parent company. Copies of the immediate parent company's financial statements can be obtained from the Company Secretary, Randstad Group UK. Its registered address is 450 Capability Green, Luton, Bedfordshire, LU1 3LU.

The ultimate parent undertaking and controlling party, and the smallest and largest group to consolidate these financial statements is Randstad NV, a company incorporated in the Netherlands. Copies of the ultimate parent company's consolidated financial statements can be obtained from the Company Secretary, Randstad NV, Diemerweg 25, 1112 TC Diemen, the Netherlands. This is also the registered office of Randstad NV.