placing people first

Annual Report and Accounts 2011

2011

Financial Highlights

(all amounts are in thousands unless stated)

€235,311

Revenue

€7,189

Operating profit

€37,041

Gross profit

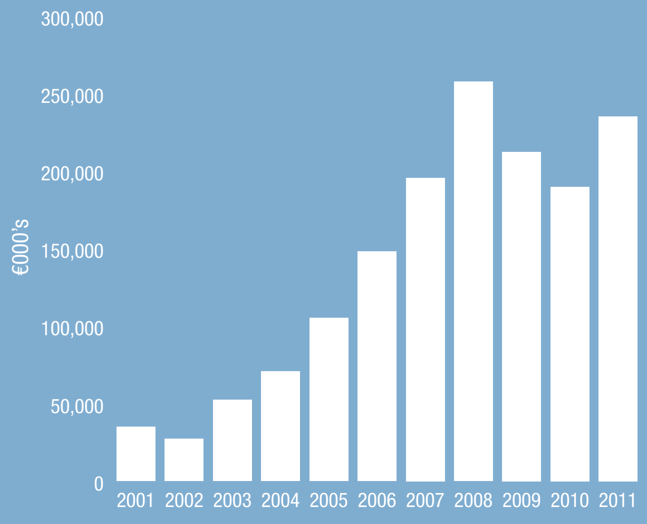
€8,132

Profit before tax

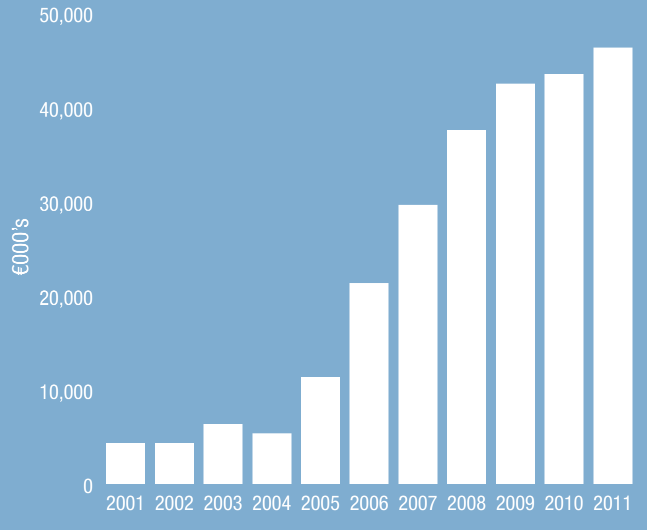
19.2 cent

Basic earnings per share

Revenue Growth



Net Cash



Front Cover *(Left to right)* Mary Carroll Director, Career Consultants, Rob Daly Director, ICT, Wendy Chin Director, Outsourcing

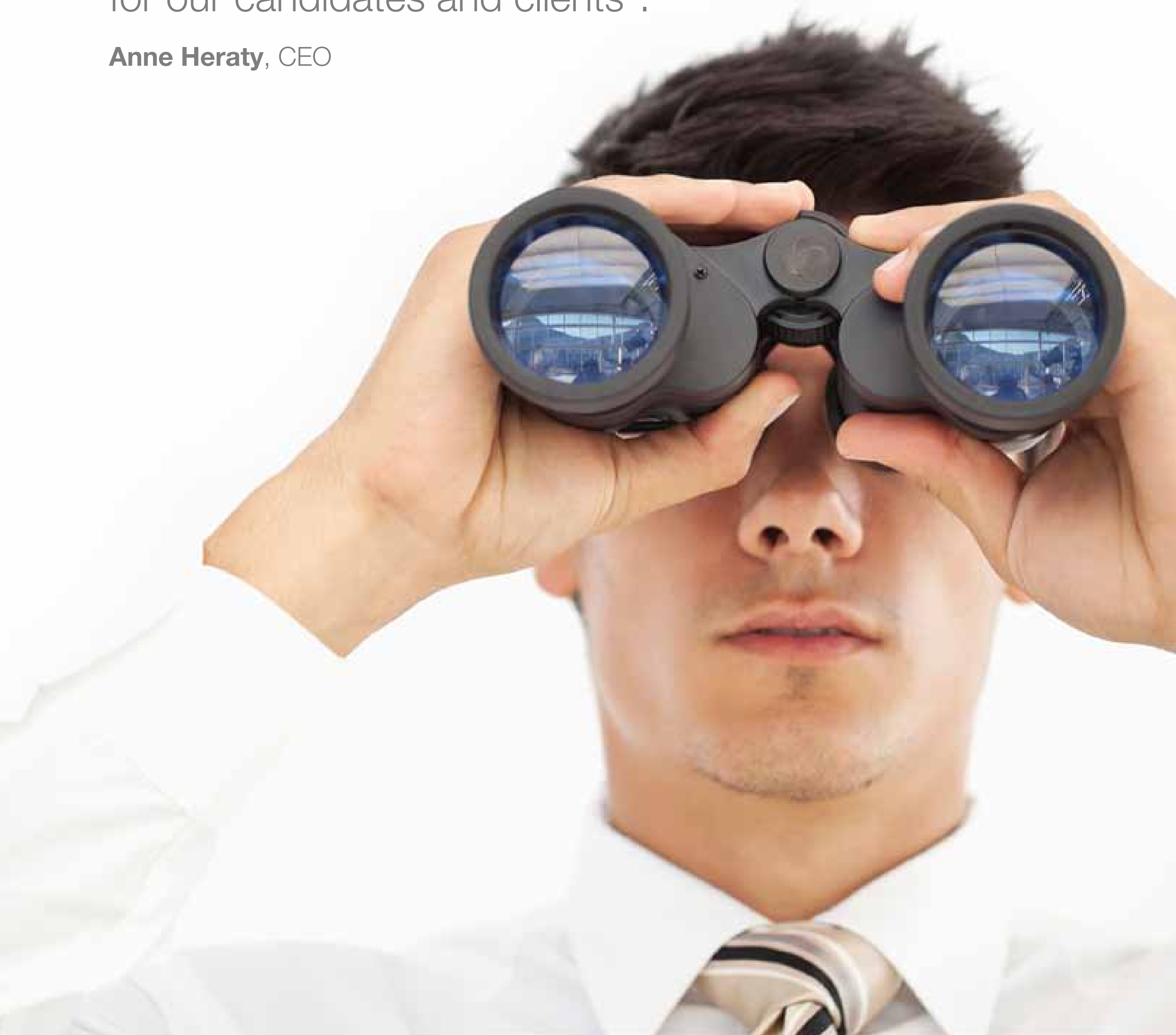
Back cover *(Left to right)* Pavol Nagy Finance Manager, Cpl Europe, Judith Moffett Manager, Science & Engineering, Graham Burns Director, Regional Offices

5,925	24	8
Contractor and temporary staff	Offices	Countries

Our Market Opportunity

"Cpl's unique approach to identifying the right skills and talent combined with the ability to provide innovative recruitment solutions drives real value for our candidates and clients".

Anne Heraty, CEO



Placing People First

Our business is built by forging strong relationships and delivering an exceptional service to our candidates and clients.

Our Values

Integrity

We are true to our mission, vision and our values. We act with honesty, openness and professionalism in everything we do.

Passion

We really believe in what we do and we strive to be the very best. We act with energy and conviction in all we do whilst continually striving to improve the services we provide.

Innovation

We are innovative in creating solutions. We encourage entrepreneurial thinking to ensure that we are constantly improving our services for our clients and candidates.

Our Business

Cpl Resources plc. is a provider of recruitment, staffing and outsourcing services. We provide these services to local customers and multinationals through a network of 24 offices in Ireland, Spain, England, Poland, Bulgaria, Slovakia, Czech Republic and Hungary. Our business is based on matching the capabilities of our candidates and employees with the need of our clients to get work done. We achieve this by (a) placing candidates in jobs with our clients, (b) staffing client projects with our agency employees and contractors, and (c) employing staff in our service centres to do work on a subcontract basis. In addition to providing these services to customers in Ireland, we serve the European needs of global corporations in the Technology, Social Media, Finance and Pharmaceutical sectors.

Contents

Chairman's Statement

"The achievement of strong results and the maintenance of positive momentum in such uncertain times reflect a truly outstanding commitment to the provision of excellent service across the whole group."

I am very pleased to report that in the year ended 30 June 2011 the Cpl Group ('Cpl' or the 'Group') delivered a strong operating performance and recorded significant increases in revenues and profits.

These results have been achieved at a time of prolonged economic uncertainty in Ireland and in other markets in which we operate. This uncertainty and its effects on employment and on business confidence generally have given rise to difficult trading conditions. We have continued to experience significant pressure on prices and margins. We are also conscious that both employers and job candidates are adopting an understandably cautious approach before deciding to offer or seek new positions.

Full Year Highlights

Highlights	**2011 € 000**	**2010 € 000**	**% change**
Revenue	235,311	189,856	23.9%
Gross profit	37,041	28,216	31.3%
Gross profit %	15.7%	14.9%	0.8 pts
Operating profit	7,189	3,965	81.3%
Interest	943	1,326	(28.9%)
Profit before tax	8,132	5,291	53.7%
EPS	19.2 cent	12.2 cent	57.3%
Conversion ratios			
Operating profit	19.4%	14.1%	
Profit before tax	22.0%	18.8%	
Net Cash	**46,324**	**43,461**	

Against this background the Group's performance in the year to 30 June 2011 has been strong. We have concentrated our efforts on meeting the changing needs of companies and candidates, while managing our own cost base carefully. These efforts have resulted in a 46% increase in fees from permanent placements, and a 22% increase in net fees from the placement of temporary employees. Great credit is due to all of our people for achieving these results.

Over recent years the Group has reacted quickly to the changing economic landscape and we have focused on realigning our costs without affecting the quality of the service we give to our clients. It is encouraging to see the results of these efforts, for example through the improvement in the ratio of operating profit to gross profit, from 14.1% in 2010 to 19.4% in the year to 30 June 2011.

During the year under review we successfully integrated the Servisource business. We also acquired PHC Care Management and Runway Personnel during the year. These acquisitions represent a further step in Cpl's strategy of extending the Group's footprint in the healthcare sector, and will enhance Cpl's position as the leading provider of healthcare professionals in the market.

I am also pleased to record the continued profitable growth in our businesses outside Ireland. We now operate in 8 countries and our operations in those countries are performing well and continuing to grow.

The achievement of strong results and the maintenance of positive momentum in such uncertain times reflect a truly outstanding commitment to the provision of excellent service across the whole group. On behalf of the Board I would like to thank the management and staff of Cpl, in Ireland and overseas, for all of their efforts. I would also like to extend the appreciation of the Board to our customers for their continued loyalty and support.

The Group is cash generative and, despite increased working capital requirements during the period, with cash generated from operations of €5.6m for the full year. Cpl has a strong balance sheet, with an increased year-end net cash balance of €46.3 million.

“Cpl delivered a strong operating performance and recorded significant increases in revenues and profit.”

Dividend & Dividend Policy

The Board is recommending a final dividend of 2.5 cent per share. This will bring the total dividend for the year to 5 cent per share. The dividend, if approved by the shareholders, will be payable on 14 November 2011 to shareholders on the company’s register at the close of business on the record date of 14 October, 2011. The Group has a progressive dividend policy which reflects underlying earnings growth and the continued strength of the Group’s balance sheet.

Tender Offer

In recent months, the Board has considered a range of strategic and financial options to enhance shareholder value, particularly taking account of the continued generation of positive cash flows by the Group. Cpl is a profitable, cash generative group and is not a capital intensive business.

Following careful consideration and having taken appropriate advice, the Board has determined that a return of surplus capital is in the best interests of the shareholders as a whole. The Board believes that a return of capital represents the most effective use of those excess funds, and that the continued strength of Cpl’s balance sheet, and its cashflow generation, are more than sufficient to allow the Group to achieve its objectives over the foreseeable future.

Consequently, subject to shareholder approval, we intend to return up to €20 million of surplus capital, in the form of a Tender Offer, to shareholders. A Tender Offer provides all shareholders with choice (that is, the discretion to participate) and certainty of value. Those shareholders who do not wish to participate can retain their full existing investment in the company. As all shares bought back by the Group will be cancelled, the Tender Offer is expected to have a positive effect on our earnings per share and dividend per share measures. The Group’s progressive dividend policy is also unaffected by the proposed return of capital to shareholders.

Outlook

Although the economic and financial difficulties that have presented themselves in recent years have affected some markets and industries more than others, no individual or business has been immune to their effects. We still expect that markets will take considerable time to recover and we are cautious about the future. However, there are some positive signs emerging in the markets we serve. As a consequence, we expect that our continued efforts to grow our business while controlling costs will allow the Group to enjoy some further profitable growth in the 6 months to 31 December 2011. The continued uncertainty in the economy generally, however, makes it impossible to make any useful forecast of trading conditions and performance beyond that date.

John Hennessy
Chairman

14 September, 2011

Chief Executive's Review

Anne Heraty

I am pleased to report that Cpl has marked its 21st year of working with people to advance their careers. During the year to June 2011, we placed over 4,000 people in permanent jobs and over 18,000 people in temporary and long term assignments. Despite the challenging labour market conditions, we finished the year with 5,925 people working on behalf of Cpl on client projects. This was 1,245 more people at work than in June 2010. As with any service business, the key ingredient to Cpl's success is our people. Our ability to compete in local and international markets for new assignments is as a result of their skills, talent and innovation. The flexibility and commitment of our staff underpins the increase in our revenue by 23.9% to €235.3 million, the increase in operating profit by 81.3% to €7.2 million and the increase in net cash by €2.9 million to €46.3 million.

Economic activity continued to decline in Ireland during the year to June 2011, marking the third successive year of contraction. The Irish labour market has been particularly hard hit by the recession and the numbers unemployed remained high throughout the year. Given that recovery in the Irish labour market typically lags that in overall economic activity, employment is forecast to record a further decline in the year to June 2012. However, the pace of this decline should be significantly weaker than in previous years. Employment is then expected to rise moderately in 2012-2013, with the projected pace of recruitment expected to accelerate over the forecast horizon as economic activity strengthens and broadens. Net employment creation of around 100,000 is foreseen over the period 2012-15, following a decline of over 300,000 between 2008 and 2011.

Demand for our services strengthened during the year to June 2011 and certain sectors showed some resilience. It appears that a two speed economy has developed, with certain sectors such as technology witnessing skills shortages whilst other sectors, such as construction, continue to offer very few job opportunities. Our Information Technology recruiting division bounced back strongly during the year with strong demand for engineers with internet and software skills. Our finance and accounting division, Careers Register, had a strong performance in the second half of the year to June 2011 as demand for qualified accountants across many different disciplines increased. Our international businesses delivered a strong performance, particularly in the permanent placement sector. We are encouraged by this increase in demand for our services; however, we are acutely aware of the uncertainty arising from the ongoing volatility in the current economic environment and the impact that this has on the labour market and job creation. We continue to focus on the quality of the service we provide while actively managing our cost base.

Financial Highlights

The Cpl Group increased its revenue by 24% to €235.3 million in the year to June 2011 *(2010: €189.9 million)*. Gross profit increased by 31% to €37.0 million *(2010: €28.2 million)*. The Group's gross margin improved by 0.8% to 15.7% *(2010: 14.9%)*. Our EBIT increased by 81% to €7.2 million *(2010: €4.0 million)*. Profit before tax was up 54% at €8.1 million *(2010: €5.3 million)*. Our earnings per share was 19.2 cent *(2010: 12.2 cent)*.

Our operating expenses were €29.9 million, 23% higher than last year. As our performance improved throughout the year we invested in hiring skilled people, in staff training and in our IT systems. At year end we had increased our internal staff numbers by 81 from the previous year. We continue to balance cost management with the need to invest in the future.

“The performance of Cpl during 2011 demonstrated, once again, a level of operational excellence which is a hallmark of the strength, depth and resilience of our management and staff.”

During this period, we paid our shareholders an interim dividend of 2.5 cent per share. The Board is recommending a final dividend of 2.5 cent per share for the year to June 2011. The total dividend per share for the year is 5 cent.

As at 30 June 2011 we had a net cash balance of €46.3 million. *(2010: €43.5 million).* Our business remains cash generative. We generated strong cash flow of €5.6 million from operations in the full year, a 41% increase on the prior year. This increase is despite the increased working capital required to fund the strong growth in revenues during the period.

We paid out €1.2 million on acquisitions, net of cash acquired. We paid out €1.9 million in dividends. Cpl is a service business and is not capital intensive. Our debtor balance is an important asset. As at 30 June 2011 our trade debtor balance was €29.6 million *(2010: €23.1 million).* The increase in our trade debtor balance is as a result of our increase in revenue. Despite the uncertain economic environment we continue to actively manage our debtors and have not experienced any significant increase in the level of bad debts during the year.

Key Performance Indicators

	2011	**2010**
Gross margin	15.7%	14.9%
Operating margin	3.1%	2.1%
Conversion Ratio EBIT	19.4%	14.1%
Profit before tax	22.0%	18.8%
Permanent fees as % of the total gross profit	30.8%	27.7%
Temporary fees as % of the total gross profit	69.2%	72.3%
Contractor and temporary staff headcount at the year end	5,925	4,680
Number of recruiters at the year end	307	256

We increased our gross margin by 0.8% to 15.7% in the year to June 2011. We increased our margin on temporary business to 11.4% *(2010: 11.2%).* This is an excellent achievement, particularly when we take into account the demands from clients for cost reducing measures and lower margins. The main contributor to the increase in our gross margin is the growth in permanent fees, which now account for 30.8% of the total gross profit *(2010: 27.7%).*

One of our stated objectives last year was to improve our operational leverage. We achieved this in the year to June 2011 by converting 19.4% of our gross profit to EBIT *(2010: 14.1%).* Despite our strong cash conversion, our interest income declined by 28% due to lower interest rates. However, we still managed to improve our conversion ratio of gross profit to PBT to 22.0% compared to 18.8% last year.

On the back of strong revenue growth we achieved a significant improvement in our operating margin to 3.1% in the year to June 2011, up from 2.1% in the year to 30 June 2010.

Operational Review

Cpl is a successful company with a strong balance sheet which has grown over the last 21 years both organically and through acquisition. We provide recruitment and workforce solutions in each of the geographic markets in which we operate. We continue to build on our established and deeply rooted long term customer relationships and upon our ability to attract and retain the best people for our business. Cpl offers a diverse range of services to over 1,500 clients each year. These services can be broadly categorised as temporary staffing, permanent recruitment, managed services and outsourcing.

Our recruitment business breaks down into professional/specialist and generalist recruitment. Professional/specialist recruitment is a significant part of the Cpl business and operates under a number of different business lines. These can be broadly categorised as Information Technology (IT),

Chief Executive's Review *(continued)*

Finance and Accounting, Engineering & Science, Sales & Marketing, Contact Centre, Human Resources (HR) and Healthcare. These business lines have the potential to generate additional revenues and margins going forward, particularly in sectors where there are skills shortages. Our generalist business is a lower margin business and cost is often a major factor in successful tenders.

Our managed services and outsourcing business is the platform which we use to deliver a wide range of services that help clients source staff and manage their workforce in an efficient and flexible manner. The services provided by these divisions include Recruitment Process Outsourcing (RPO), Managed Staffing, Contact Centre Outsourcing, Career Transition and Training. We expect that this business platform will be a key driver of growth for Cpl as clients look for greater flexibility, operational efficiencies and cost savings from their workforce.

Strategy

Our strategy is to focus mainly on organic expansion, while using selective acquisitions to build business platforms in new sectors or markets which offer good long term growth potential. Our strategy is based on the following goals:

1. Build a profitable, cash generative business with good predictability in earnings.
2. Increase Cpl's organisation capacity:
    - Attract and retain key skills and talent
    - Develop world class business processes underpinned by effective IT systems
    - Increase productivity.
3. Build a balanced portfolio of businesses, service lines and customers
    - Deepen our presence in existing sectors in Ireland and open up new sectors
    - Replicate our existing business model in new geographies
    - Build new business models in attractive sectors.

Permanent Placement

While the numbers in employment have fallen against the backdrop of a sharp decline in activity, the level of employment remains relatively high from a historical perspective. At the end of 2010 there were 1.8 million people at work in Ireland compared to around 1.2 million in the early to mid-1990s. Employment is anticipated to increase once economic growth resumes. The pace of annual employment growth is expected to strengthen in the coming years, from 0.5% in 2012 to around 2% a year by the end of the forecast horizon. By 2015 the proportion of the population in employment is forecast to be around 45%, below the peak of 50% reached in 2007, but well above the level of circa 33% recorded in the late 1980s. Permanent placement is particularly sensitive to economic growth and we were particularly pleased to see an improvement in our permanent recruitment business, albeit off a very low base. We attribute this to the severity of job cuts as the recession progressed. Employers simply cut too deeply and now need to hire new staff again in certain skill-specific areas.

In the year to June 2011 permanent fees increased by 46% to €11.4 million *(2010: €7.8 million)*. This reverses the 36% fall in the year to June 2010. We continue to work closely with our clients and the success of all organisations is often based on the quality of the individuals that they hire. Through the recession many companies cut costs and redefined their processes to achieve efficiencies. Now companies are realising how important it is to have the right person in the right role to ensure the long-term success of the organisation.

Temporary Staffing

In the current uncertain economic environment, we continue to see good demand from our clients, who value the flexibility we offer in terms of workforce solutions. The economic downturn instigated a structural shift towards the increased use of temporary staffing in office, industrial and professional segments and has proved the value of utilising a more flexible workforce. Companies with a higher share of temporary employees were better able to respond quickly to the issues presented by a sudden drop in demand. We believe that the penetration of temporary staffing solutions will increase and reach new peaks in many mature and emerging markets. Employers can now only afford to hire as improved demand for their product or service presents itself. Companies are grappling with new market challenges and we believe that this will create an unprecedented need for on-demand staffing solutions.

Our business is about matching companies and candidates. It's about understanding people. Last year, our recruiters placed around 18,000 candidates into temporary assignments. Cpl has a philosophy to excel when it comes to efficient service delivery. We are flexible in our approach, results-orientated and focused on service delivery to both clients and candidates. We want candidates to experience the difference we can make in their career journey. We are helping people get back to work. We help our clients and candidates work in a new way, unleashing the potential of the workforce and redefining how work gets done.

Fees generated from temporary assignments continued to grow in the year to June 2011. Temporary revenue was €223.9 million *(2010: €182.0 million)* representing 23%

growth. We generated €25.6 million gross profit, 26% higher than the year to June 2010. We also increased our gross margin slightly to 11.4% *(2010: 11.2%).*

Overseas business

We continue our strategy to diversify our revenue base and reduce our dependence on the Irish economy. 33% of our permanent fees now come from outside of Ireland. We have also secured some significant client wins in the year and hope to continue to expand our managed service offerings outside Ireland. We opened new offices in Wroclaw in Poland and in Sofia in Bulgaria consistent with our objective to replicate our business model in new markets. We are focused on organic growth in central and Eastern Europe as we believe many of these markets are still in the early stage of growth. We are also starting to gain traction in our temporary placement business as labour markets in these geographies liberalise.

Legal environment

The crucial role played by temporary staffing solutions in EU labour markets and its impact on job creation and in providing opportunities which accelerate the pace of return to work for those who are unemployed was recognised in the OECD's 2011 Economic Outlook paper. Many of the European Labour markets are highly regulated and there has been a move over the last decade to liberalise some of these markets to facilitate job creation. For example in 2000, Italy opened up its agricultural, construction and public sectors.

Temporary staffing legislation varies by market. All EU Member States are required to transpose the EU Directive on Temporary Agency Work (2008/104/EC) into national law by December 2011. The Directive is designed to ensure that workers employed through an employment agency are given the same terms and conditions as comparable permanent employees doing the same or similar work in an end user company. At this time it is unclear what impact the legislation will have on temporary work or how it will work in practice.

Acquisitions

Cpl continues to deliver on the objective of deepening our presence in existing sectors in Ireland. This enables us to consolidate our position in a sector and then drive organic growth. In the year to June 2011 we acquired PHC Care Management Limited and Runway Personnel Limited. Both are small businesses that provide multiple types of recruitment and related staffing solutions to the healthcare sector, to public and private hospitals, care homes and allied health facilities. They also provide long term employment solutions, traditional nursing agency services, short term/agency positions for healthcare assistants and allied health professionals, managed occupational health or in-house nursing support services, chronic illness management in the home or primary healthcare settings. Both of these acquisitions have been fully integrated into the Cpl Group and have provided us with an enhanced platform from which to provide additional services to our existing customer base.

People

The performance of Cpl during 2011, particularly revenue growth, cash generation and improved operational leverage demonstrated once again a level of operational excellence which is a hallmark of the strength, depth and resilience of our management and staff. I thank all Cpl employees for their contribution and continued commitment to the success of the Group.

Performance review and outlook

In the past year, we have delivered on each of our strategic objectives. We have delivered enhanced profitability and strong cash generation. We have continued to enhance our organisational capacity and strengthen our portfolio of businesses, our service lines and our customer base.

The short term economic trends indicate that we face a period of continued uncertainty and volatility. We intend to adopt a cautious approach and are cognisant of the impact such market conditions can have on our business. However, Cpl has demonstrated its resilience in these market conditions and we intend to move forward from a position of strength. Our focus will be to look for opportunities in those sectors and geographies that are doing well, while continuing to effectively manage our core business. Our client base and the quality of our client and candidate relationships is one of our strategic advantages. Our management and services delivery teams are committed to delivering efficient, innovative and flexible staffing solutions to our clients. We believe companies now recognise the benefits of a flexible staffing model, particularly in a constantly changing business and economic environment and we believe that this should present new opportunities for Cpl.

Anne Heraty
Chief Executive

14 September, 2011

"We are passionate about our work. We believe in the value of work and the reward of finding the right job, for the right person."

Peter Cosgrove

Cpl's Corporate Citizenship & Diversity

"Good for People, Good for Business"

The skills, knowledge and experience of our people are fundamental to our continued success. Our reputation extends beyond our clients and candidates to the wider communities in which we work. The desire to "give something back" is a particularly strong characteristic of Cpl people, both as individuals and as part of a successful business. As leaders in our field we take pride in our ability to reach out and provide assistance to jobseekers and clients throughout Ireland and indeed Europe. It is our goal that everyone should achieve a personal and professional balance in their life, through our fundraising activities and events there's a great social element which makes Cpl an enjoyable place to work. It's clear that through Cpl's Corporate Social Responsibility programme there are huge benefits for our employees, the company and most of all, for the community in which we do business.

4 Peaks Challenge Arleen Quigg & Judith Moffett - The Four Peaks Challenge involved climbing the largest peak in each of Ireland's four provinces over a single weekend.

Four Peaks

Cpl staff are encouraged to take part in all the CSR programmes. In 2010 we raised €20,010 for Focus Ireland through a range of employee activities, most notably the "4 Peaks Challenge".

National Jobseekers Roadshow

The National Jobseekers Roadshow was a Cpl organised event that aimed to support jobseekers in their aim to get a job. This was done through workshops across the countries advising jobseekers on areas of the job search such as: the cv, the interview, personal branding, where to find the jobs, using social media and how to network. The nationwide event reached over 50,000 jobseekers, 1,800 registered for the events and 1,268 of jobseekers turned up to the events.

Omar Hassanein (CEO IRUPA), Anne Heraty & Rob Kearney.

On successful completion of the EPIC Programme there is a formal Graduation ceremony where each participant receives a certificate.

EPIC
EMPLOYMENT FOR PEOPLE FROM IMMIGRANT COMMUNITIES

Cpl Recruitment consultants with expertise and wide experience in career advice and job placement provide one-to-one support sessions on the various steps in seeking new employment or education. They assist with CV and interview preparation, psychometric testing, coaching for interviews as well as working with the participant to source and secure further education or employment.

Partnerships for change

Cpl are delighted to announce that it has recently signed two very special partnerships. Firstly, we have signed a three-year agreement to be a Corporate Friend of the Science Gallery (Part of Trinity College Dublin). This significant investment highlights our belief in the importance of education & future of science and innovation in Ireland. We are active participants of Science Week and provide talks and career advice to Science students across Ireland.

Our second partnership is as a three-year 'Partner Sponsor' of The Ireland Funds, whose mission is to be the largest worldwide network of people of Irish ancestry and friends of Ireland dedicated to raising funds to support programmes of peace and reconciliation, arts and culture, education and community development throughout the island of Ireland. The Ireland Funds are an international charitable network operating in 12 countries and have raised over $370 million for worthy causes in Ireland and around the world.

Cpl has adopted and implemented a number of Diversity and CSR principles and practices, all of which have a positive impact on business. While our Diversity & CSR policy is sponsored by our CEO, Anne Heraty, there is commitment and drive from management and staff of all levels across the Cpl Group to develop and grow a diverse International organisation.

Pictured in Tuscany at the 100km cycle for Fighting Blindness are Paul McClatchie and Richard Minchin, who raised a staggering €12,000.

Diversity

Cpl is an equal opportunities employer and we consistently work to implement and establish a best practice policy through greater diversity awareness within the workplace; Cultural Awareness, Ethnic Minorities, Women, Aged, Work-Life Balance to name a few. As part of our Diversity and Corporate Social Responsibility initiative, we work with EPIC (Employment for People from Immigrant Communities), the Business in the Community Ireland (BITC) programme, and with Jobsnet & Jobcare, a charity for the recent and long-term unemployed. Cpl recognises that it's activities have a wider impact on the society in which it operates, and that developments in society in turn impact on its ability to pursue its business sustainably.

The Young Social Innovators (YSI) team 'DIVERT YOUR STRIDE FROM SUICIDE', from Mount Mercy College, Cork, were invited to Áras an Uachtaráin by President Mary McAleese to be personally congratulated by her on their award-winning efforts to promote suicide awareness amongst their peers. Pictured with the president is Aaron O'Brien, Director of Cpl Solutions & board member of YSI.

Innovation

"In a constantly changing world, innovation is central to sustainable success. Cpl's culture of innovation enhances our offering for our customers and differentiates us from our competitors."

Suzanne Dolan

Directors' Report

The directors present their annual report and audited consolidated and Company financial statements for the year ended 30 June 2011.

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 twenty six subsidiaries:

- Computer Placement Limited
- Cpl Solutions Limited
- Careers Register Limited
- Multiflex Limited
- Tech Skills Resources Limited
- Medical Recruitment Specialists Limited
- Richmond Recruitment Limited
- Occipital Limited
- Kate Cowhig International Recruitment Limited
- Flexsource Limited
- Cpl Healthcare Limited
- Nursefinders UK Limited
- Cpl (Northern Ireland) Limited
- Cpl Training Limited
- Cpl Jobs S.r.o. – Czech Republic
- Cpl Jobs S.r.o. - Slovakia
- Cpl Jobs Sp z.o.o.
- Cpl Recruitment S.L.
- Cpl International Holdings Limited
- Cpl Resources Ireland Holdings Limited
- Servisource Healthcare Limited
- Servisource Recruitment Limited
- Cpl Jobs Kft
- PHC Care Management Limited
- Runway Personnel Limited
- Emoberry Limited

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 is not 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. Against this current economic backdrop there is a risk that Cpl could experience an increased level of bad debts.
- 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 or expenses could cause a material negative effect on the Group's profitability. For example, 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.

Directors' Report *(continued)*

- 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 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 to ensure business-critical processes are safeguarded as far as 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 the necessary specialist resources are available and by following a clear project management process.
- The Group continues to build a strong multi-disciplined management team. We are adding resources and specialties to ensure that we have the organisational capacity to identify and integrate acquisitions and optimise organic growth opportunities.
- Management actively manage cash collection, working capital days and customer payment terms to ensure all debtor accounts are paid within agreed terms.
- The Group continue 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.

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 4 to 7 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 23 to 58.

Operating profit for the year ended 30 June 2011 amounted to €7.2 million *(2010: €4.0 million).* The profit for the financial year ended 30 June 2011 amounted to €7.2 million *(2010: €4.5 million).* Basic earnings per share for the year amounted to 19.2 cent *(2010: 12.2 cent),* while adjusted fully diluted earnings per share for the year amounted to 19.2 cent *(2010: 12.2 cent).*

An interim dividend of 2.5 cent per share *(2010: 1.5 cent)* was paid during the year. A final dividend of 2.5 cent per share *(2010: 2.5 cent)* is proposed by the directors. No further dividends or transfers to reserves are recommended by the directors.

Shareholders' equity at 30 June 2011 amounted to €68.3 million *(2010: €63.0 million).*

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

The directors and secretary who held office at 30 June 2011 had no interests other than those shown below in the shares in the Company or Group companies.

	No. of shares 30 June 2011	No. of shares 1 July 2010
Shares in Cpl Resources Plc		
Ordinary shares of €0.10 each		
Anne Heraty *	**12,907,764**	12,907,764
Paul Carroll*	**2,234,061**	2,234,061
John Hennessy	**125,000**	125,000
Breffni Byrne	**10,000**	10,000
Oliver Tattan	**-**	-
Garret Roche	**63,192**	63,192
Josephine Tierney	**40,000**	40,000
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 2011 and 7 September 2011.

Other than as disclosed above, in note 25 and the directors' service agreements with the company as disclosed on page 60 of the financial statements, 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 2011. The directors did not hold any share options at 30 June 2011 *(30 June 2010: nil).*

Significant shareholdings and share price

At 30 June 2011, A. Heraty and P. Carroll together held 40.7% *(2010: 40.7%)* of the share capital of the Company. State Street Nominees Limited and Capital Research and Management Company had shareholdings in excess of 5% at 30 June 2011.

During the year, the lowest and highest share prices were €2.10 and €3.10 respectively. At year end, the share price was €2.70.

Post balance sheet events

Subsequent to the year end the Board, having considered a range of strategic and financial options to enhance shareholder value, has determined that a return of surplus capital, by way of a Tender Offer, is in the best interests of the Group and all shareholders. The proposed Tender Offer will require the approval of shareholders at an EGM.

There have been no other significant post balance sheet events that would require disclosure in the financial statements.

Political donations

The Company made no political donations during the year.

Accounting records

The directors believe that they have complied with the requirements of Section 202 of the Companies Act, 1990 with regard to books of account by employing personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the Company are maintained at the Company's premises at Merrion Place, Dublin 2.

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 'ESM' listed company, Cpl Resources Plc is not required to comply with the principles and provisions of the Combined Code on Corporate Governance as issued by the Financial Reporting Council in June 2008 ("the Combined Code"). However, the Board has undertaken to comply with the Combined Code, as far as practicable, having regard to the size and nature of the Group.

This following report describes how the principles and provisions of the Combined Code have been applied.

The Board

The Group is controlled through 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, four executive directors and two other non-executive directors. Each director retires by rotation every 3 years although there is no specific term of appointment set down. The Board considers all of its non-executive directors to be independent in character and judgement and each has wide ranging business skills and commercial acumen. No non-executive director:

- has been an employee of the Group within the last five years.
- has, or has had within the last three years, 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.

In addition the Board has considered the tenure of the Chairman, John Hennessy, and notwithstanding that he has been a director for more than nine years, considers him to be independent.

Board meetings are held at least eight times each year with agendas sent out 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 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 and John Hennessy. Breffni Byrne is the Committee Chairman. The Board considers Breffni Byrne to have recent and relevant financial experience.

The Audit Committee meets at least 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 Audit Committee meetings. The Chief Executive and the Finance Director 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.

In the year ended 30 June 2011, 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 2011 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 2011 audit fee and reviewing non-audit fees payable to the Group's external auditor in 2011.
- 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.
- reviewing the Group's draft 2011 financial statements prior to Board approval and reviewing the external auditor's detailed reports thereon.
- reviewing the effectiveness of the Group's internal control system up to and including the date of approval of the financial statements.

Directors' Report *(continued)*

Attendance at Board and Committee meetings

Attendance at scheduled Board meetings and Committee meetings during the year ended 30 June 2011:

	Full Board	**Audit Committee**	**Nomination & Remuneration Committee**
Number of meetings held in 2011	**9**	**3**	**1**
Directors and position held:			
John Hennessy – Non-Executive Chairman	9	3	1
Breffni Byrne – Non-Executive	9	3	-
Oliver Tattan – Non-Executive	8	-	1
Anne Heraty – Chief Executive Officer	9	-	-
Paul Carroll – Executive	9	-	-
Garret Roche – Executive	8	-	-
Josephine Tierney – Executive	9	-	-

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, 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.

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. 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 implications of the Turnbull Report on internal controls 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 complied with the principles and provisions of the Combined Code relating to internal control.

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.

Directors' Report *(continued)*

- 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 provision C.3.5 of the Combined 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 regularly 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 despite the current uncertain economic outlook and difficult trading conditions experienced by the Group. 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 160 (2) of the Companies Act, l963, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the Board

John Hennessy	**Anne Heraty**
Director	Director

14 September, 2011

Statement of Directors' Responsibilities

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. As required by the ESM Rules the directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and applicable law and have elected to prepare the Company financial statements on the same basis.

The Group financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position and performance of the Group. The Companies Acts, 1963 to 2009 provide in relation to such financial statements that references in the relevant part of those Acts to financial statements giving a true and fair view are references to their achieving a fair presentation. The Company financial statements are required by law to give a true and fair view of the state of affairs of the Company.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and parent Company will continue in business.

Under applicable law, the directors are also responsible for preparing a Directors' Report.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2009. They are also responsible 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.

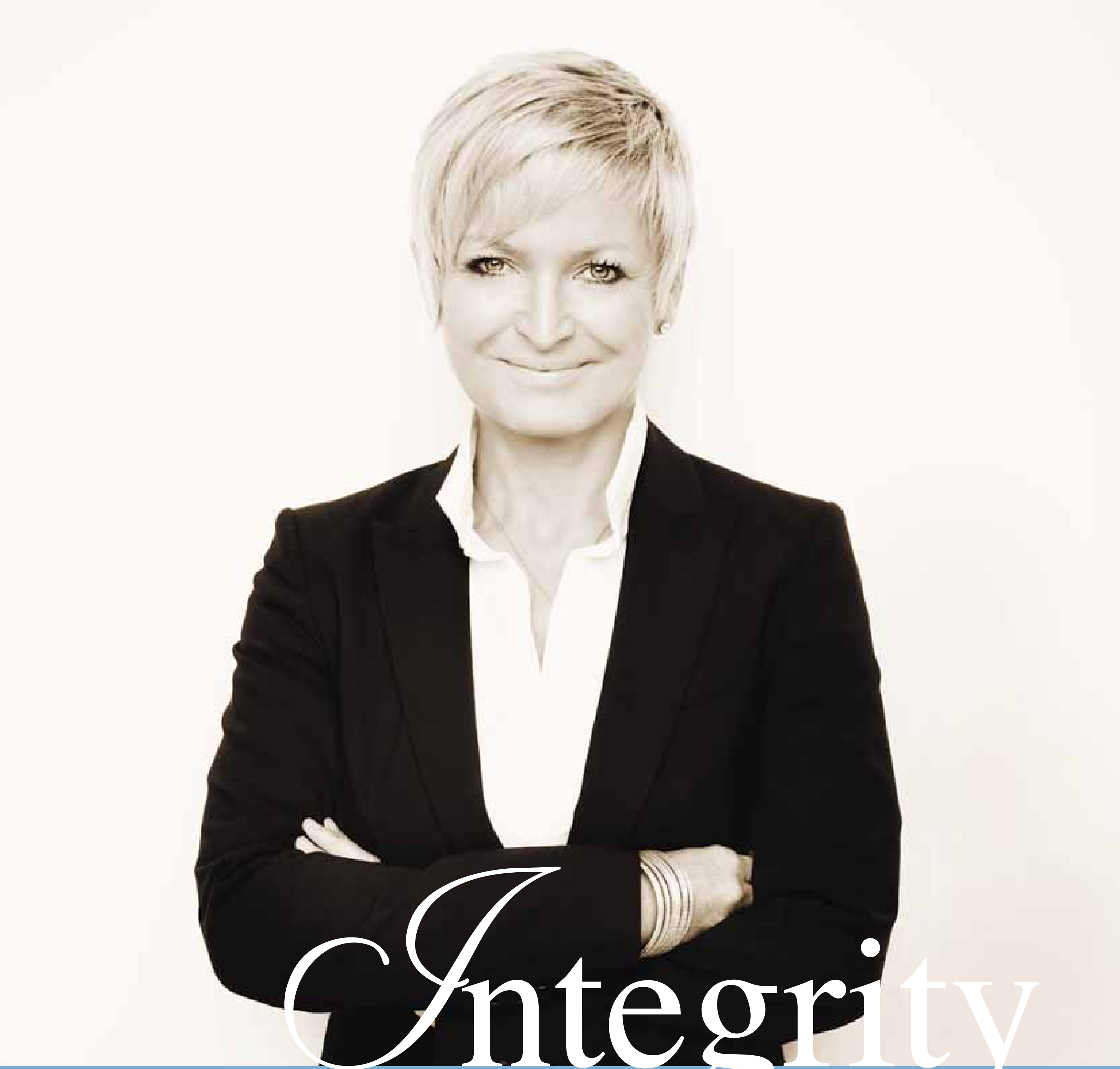
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

John Hennessy
Director

Anne Heraty
Director

14 September, 2011



Integrity

"Integrity is central to our management philosophy and in our continuing commitment to deliver value for our shareholders."

Josephine Tierney

Independent Auditor's Report

to the members of Cpl Resources Plc

We have audited the Group and Company financial statements ("the financial statements") of Cpl Resources Plc for the year ended 30 June 2011 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 the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of directors and auditor

The Statement of Directors' Responsibilities on page 19 sets out the directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with IFRSs as adopted by the EU, and have been properly prepared in accordance with the Companies Acts, 1963 to 2009. We also report to you our opinion as to: whether proper books of account have been kept by the Company; whether at the balance sheet date there exists a financial situation requiring the convening of an extraordinary general meeting of the Company under Section 40(1) of the Companies (Amendment) Act, 1983; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit, and whether the Company balance sheet is in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law or the Listing Rules of ESM regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Chairman's Statement, the Chief Executive's Review and the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the Group's affairs as at 30 June 2011 and of its profit for the year then ended;
- the parent Company financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Acts, 1963 to 2009, of the state of the parent Company's affairs as at 30 June 2011; and
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2009.

Independent Auditor's Report

to the members of Cpl Resources Plc

Other matters

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Company. The Company balance sheet is in agreement with the books of account.

In our opinion, the information given in the Directors' Report on pages 13 to 18 is consistent with the financial statements.

The net assets of the Company, as stated in the Company Balance Sheet on pages 26 and 27, are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 30 June 2011 a financial situation, which under Section 40 (1) of the Companies (Amendment) Act, 1983, would require the convening of an extraordinary general meeting of the Company.

Tom McEvoy
14 September, 2011

For and on behalf of

KPMG

Chartered Accountants, Statutory Audit Firm

1 Stokes Place
St. Stephen's Green
Dublin 2

Group Statement of Comprehensive Income

for the year ended 30 June 2011

	Note	2011	2010
		€'000	€'000
Revenue	*1*	**235,311**	189,856
Cost of sales		**(198,270)**	(161,640)
Gross profit		**37,041**	28,216
Distribution expenses		**(2,354)**	(1,677)
Administrative expenses		**(27,498)**	(22,574)
Operating profit	*3*	**7,189**	3,965
Financial income	*2*	**967**	1,335
Financial expenses	*2*	**(24)**	(9)
Profit before tax	*3*	**8,132**	5,291
Income tax expense	*6*	**(973)**	(793)
Profit for the financial year		**7,159**	4,498
Attributable to:			
Equity shareholders		**7,159**	4,525
Non-controlling interest		**-**	(27)
		7,159	4,498
Other comprehensive income			
Foreign currency translation differences – foreign operations		**28**	-
Total comprehensive income for the year		**7,187**	4,498
Total comprehensive income attributable to:			
Equity shareholders		**7,187**	4,525
Non-controlling interest		**-**	(27)
		7,187	4,498
Basic earnings per share	*8*	**19.2 cent**	12.2 cent
Diluted earnings per share	*8*	**19.2 cent**	12.2 cent

On behalf of the Board

John Hennessy	**Anne Heraty**
Director	Director

Group Statement of Changes in Equity

for the year ended 30 June 2011

	Share capital €'000	Share premium €'000	Capital conversion reserve fund €'000	Merger reserve €'000	Currency translation reserve €'000	Retained earnings €'000	Share holders equity €'000	Non-controlling interest €'000	Total equity
Balance at 30 June 2009	3,720	1,705	57	(3,357)	-	57,460	59,585	98	59,683
Total comprehensive income for the year									
Profit for the financial year	-	-	-	-	-	4,525	4,525	(27)	4,498
Transactions with owners									
Dividends paid	-	-	-	-	-	(1,116)	(1,116)	-	(1,116)
Balance at 30 June 2010	3,720	1,705	57	(3,357)	-	60,869	62,994	71	63,065
Balance at 1 July 2010	3,720	1,705	57	(3,357)	-	60,869	62,994	71	63,065
Total comprehensive income for the year									
Profit for the financial year	-	-	-	-	-	7,159	7,159	-	7,159
Foreign currency translation effects	-	-	-	-	28	-	28	-	28
Transactions with owners									
Dividends paid	-	-	-	-	-	(1,860)	(1,860)	-	(1,860)
Purchase of non-controlling interest	-	-	-	-	-	11	11	(71)	(60)
Balance at 30 June 2011	**3,720**	**1,705**	**57**	**(3,357)**	**28**	**66,179**	**68,332**	**-**	**68,332**

Company Statement of Changes in Equity

for the year ended 30 June 2011

	Share capital €'000	Share premium €'000	Capital conversion reserve fund €'000	Retained earnings €'000	Total equity €'000
Balance at 30 June 2009	3,720	1,705	57	1,619	7,101
Total comprehensive income for the year					
Profit for the financial year	-	-	-	4,100	4,100
Transactions with shareholders					
Dividends paid	-	-	-	(1,116)	(1,116)
Balance at 30 June 2010	3,720	1,705	57	4,603	10,085
Balance at 1 July 2010	3,720	1,705	57	4,603	10,085
Total comprehensive income for the year					
Profit for the financial year	-	-	-	21,030	21,030
Transactions with shareholders					
Dividends paid	-	-	-	(1,860)	(1,860)
Balance at 30 June 2011	**3,720**	**1,705**	**57**	**23,773**	**29,255**

Group and Company Balance Sheets

as at 30 June 2011

	Note	Group		Company	
		2011	2010	**2011**	2010
Assets		**€'000**	€'000	**€'000**	€'000
Non-current assets					
Property, plant and equipment	*10*	**1,236**	1,424	**236**	137
Goodwill and intangible assets	*11*	**11,709**	11,293	**49**	45
Investments in subsidiaries	*12*	**-**	-	**12,398**	11,199
Deferred tax asset	*13*	**467**	325	**45**	4
Total non-current assets		**13,412**	13,042	**12,728**	11,385
Current assets					
Trade and other receivables	*14*	**41,106**	33,703	**38,856**	23,235
Corporation tax receivable		**-**	322	**-**	85
Short term bank deposits	*15*	**8,000**	-	**8,000**	-
Cash and cash equivalents	*15*	**38,372**	43,461	**30,863**	42,062
Assets classified as held for sale	*20*	**-**	150	**-**	-
Total current assets		**87,478**	77,636	**77,719**	65,382
Total assets	*1*	**100,890**	90,678	**90,447**	76,767
Equity					
Issued share capital	*16*	**3,720**	3,720	**3,720**	3,720
Share premium	*16*	**1,705**	1,705	**1,705**	1,705
Other reserves	*16*	**(3,272)**	(3,300)	**57**	57
Retained earnings		**66,179**	60,869	**23,773**	4,603
Total equity attributable to shareholders of the company		**68,332**	62,994	**29,255**	10,085
Non-controlling interests	*26*	**-**	71	**-**	-
Total equity		**68,332**	63,065	**29,255**	10,085

Group and Company Balance Sheets *(continued)*

as at 30 June 2011

	Note	Group		Company	
		2011	2010	**2011**	2010
		€'000	€'000	**€'000**	€'000
Liabilities					
Non-current liabilities					
Financial liabilities	*17*	**45**	158	**-**	-
Provisions	*18*	**625**	700	**625**	700
Total non-current liabilities		**670**	858	**625**	700
Current liabilities					
Bank overdraft	*15*	**48**	-	**-**	-
Financial liabilities	*17*	**79**	126	**-**	-
Trade and other payables	*19*	**31,235**	26,620	**60,161**	65,982
Current tax payable		**121**	-	**1**	-
Provisions	*18*	**405**	9	**405**	-
Total current liabilities		**31,888**	26,755	**60,567**	65,982
Total liabilities	*1*	**32,558**	27,613	**61,192**	66,682
Total equity and liabilities		**100,890**	90,678	**90,447**	76,767

On behalf of the Board

John Hennessy
Director

Anne Heraty
Director

Group and Company Cash Flow Statements

for the year ended 30 June 2011

	Note	Group		Company	
		2011	2010	**2011**	2010
		€'000	€'000	**€'000**	€'000
Cash flows from operating activities					
Profit for the financial year		**7,159**	4,498	**21,030**	4,100
Adjustments for:					
Depreciation on property, plant and equipment	*10*	**467**	463	**35**	31
Loss on disposal of property, plant and equipment		**-**	7	**-**	-
Deferred consideration write back		**-**	(317)	**-**	(317)
Amortisation of intangible assets	*11*	**874**	594	**32**	27
Financial income	*2*	**(967)**	(1,335)	**(998)**	(1,333)
Financial expense	*2*	**24**	9	**-**	-
Income tax expense	*6*	**973**	793	**47**	16
Impairment of intangible assets		**-**	-	**-**	30
Impairment of financial assets	*12*	**-**	-	**-**	7
Operating cashflows before changes in working capital and provisions		**8,530**	4,712	**20,146**	2,561
(Increase) in trade and other receivables		**(6,945)**	(1,685)	**(16,124)**	(859)
Increase/(decrease) in trade and other payables and provisions		**3,978**	924	**(5,491)**	(646)
Cash generated from operations		**5,563**	3,951	**(1,469)**	1,056
Interest (paid)		**(24)**	(9)	**-**	-
Income tax (paid)		**(697)**	(800)	**(2)**	-
Interest received		**1,470**	1,078	**1,501**	1,072
Net cash from operating activities		**6,312**	4,220	**30**	2,128
Cash flows from investing activities					
Acquisition of business, net of cash acquired	*20*	**(1,215)**	(1,628)	**(1,199)**	(2)
Deferred consideration paid	*18*	**(9)**	(162)	**-**	-
Purchase of property, plant and equipment	*10*	**(264)**	(236)	**(134)**	(65)
Purchase of intangible assets	*11*	**(31)**	(87)	**(36)**	(102)
Transfer from/(to) short term deposits	*15*	**(8,000)**	19,995	**(8,000)**	19,995
Proceeds from sale of land previously classified as held for sale		**150**	-	**-**	-
Net cash (used in)/from investing activities		**(9,369)**	17,882	**(9,369)**	19,826

Group and Company Cash Flow Statements *(continued)*

for the year ended 30 June 2011

	Note	Group		Company	
		2011	2010	**2011**	2010
		€'000	€'000	**€'000**	€'000
Cash flows used in financing activities					
Decrease in finance leases		**(160)**	(30)	**-**	-
Dividends paid	*7*	**(1,860)**	(1,116)	**(1,860)**	(1,116)
Acquisition of non-controlling interests		**(60)**	-	**-**	-
Net cash (used in) financing activities		**(2,080)**	(1,146)	**(1,860)**	(1,116)
Net (decrease)/increase in cash and cash equivalents		**(5,137)**	20,956	**(11,199)**	20,838
Cash and cash equivalents at beginning of year		**43,461**	22,505	**42,062**	21,224
Cash and cash equivalents at end of year	*15*	**38,324**	43,461	**30,863**	42,062

Significant Accounting Policies
for the year ended 30 June 2011

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 14 September, 2011.

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 Acts, 1963 to 2009 which permits a company, that publishes its Company and Group financial statements together, to take advantage of the exemption in Section 148(8) of the Companies Act, 1963, from presenting to its members its Company income statement and related notes that form part of the approved Company financial statements.

The IFRSs adopted by the EU as applied by the Company and Group in the preparation of these financial statements are those that were effective at 30 June, 2011.

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 except for assets held for sale. 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, and impairment testing. Estimates in respect of goodwill are disclosed in note 11 to the financial statements.

Accounting for subsidiaries

Group financial statements

Subsidiaries are those entities over which the Group has the power to control the operating and financial policies so as to obtain economic benefit from their activities. 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.

Significant Accounting Policies *(continued)*

for the year ended 30 June 2011

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.

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 Operating Decision Maker 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 received 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.

Significant Accounting Policies *(continued)*

for the year ended 30 June 2011

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 average exchange rates for the year 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 and 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 purchase 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.

The cost of a business combination is measured as the aggregate of the fair value of assets acquired, 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.

Significant Accounting Policies *(continued)*

for the year ended 30 June 2011

Goodwill

Goodwill on acquisitions is initially measured at cost being the excess of the cost of 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.

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.

Significant Accounting Policies *(continued)*

for the year ended 30 June 2011

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.

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.

Trade and other receivables

Trade receivables, which generally have 30 to 60 day terms, 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.

Forthcoming requirements

There are a number of new standards, amendments to standards and interpretations published but not yet effective, and not applied in preparing these consolidated financial statements. These new standards are not expected to have a material impact on the Group's financial statements.

Notes

forming part of the financial statements

1 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 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 income tax, as included in the internal management reports that are reviewed by the Board.

	2011	2010
	€'000	€'000
Temporary staff	**223,885**	182,040
Permanent placements	**11,426**	7,816
Revenue	**235,311**	189,856
Temporary staff	**5,258**	3,543
Permanent placements	**1,931**	422
Operating profit	**7,189**	3,965
Financial income – centrally controlled income	**967**	1,335
Financial expense – centrally controlled expense	**(24)**	(9)
Profit before tax	**8,132**	5,291
Temporary staff	**387**	285
Permanent placements	**80**	178
Group depreciation	**467**	463

1 Operating segment reporting (continued)

	2011	2010
	€'000	€'000
Temporary staff	**871**	532
Permanent placements	**3**	62
Group amortisation	**874**	594

	2011	2010
Temporary staff	**47,719**	41,541
Permanent placements	**6,799**	5,676
	54,518	47,217
Centrally controlled assets	**46,372**	43,461
Group assets	**100,890**	90,678

At 30 June 2011, centrally controlled assets constitute cash and cash equivalents of €38.4 million *(2010: €43.5 million)* and short term bank deposits of €8 million *(2010: €nil).*

	2011	2010
Temporary staff	**30,360**	25,254
Permanent placements	**2,198**	2,359
Group liabilities	**32,558**	27,613

	2011	2010
Temporary staff	**230**	158
Permanent placements	**34**	78
Group capital additions	**264**	236

2 Financial income and expenses

	2011	2010
	€'000	€'000
Interest (income) on cash deposits	**(967)**	(1,335)

	2011	2010
Interest expense on interest bearing borrowings	**11**	-
Finance lease interest	**13**	9
	24	9

3 Statutory and other information

Group

Profit before tax is stated after charging the following:

		2011	2010
		€'000	€'000
Auditor's remuneration	- audit services	**85**	85
	- other assurance services	**30**	30
	- tax advisory services	**57**	54
	- other non-audit services	**-**	-
Operating lease rentals, principally in respect of premises		**223**	253
Depreciation		**467**	463
Amortisation of intangible assets		**874**	594

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 €8,500 *(2010: €8,000).*

Company

Profit before tax is stated after charging the following:

		2011	2010
		€'000	€'000
Auditor's remuneration	- audit services	**4**	4
	- other assurance services	**-**	-
	- tax advisory services	**34**	29
	- other non-audit services	**-**	-

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

4 Directors' remuneration

Directors' remuneration for the year was as follows:

	Salaries and other emoluments €'000	Fees €'000	Pension €'000	Total 2011 €'000	Total 2010 €'000
Executive directors					
Anne Heraty	265	-	98	**363**	365
Paul Carroll	242	-	76	**318**	319
Garret Roche	215	-	11	**226**	187
Josephine Tierney	239	-	11	**250**	219
	961	-	196	**1,157**	1,090
Non-executive directors					
John Hennessy	-	77	-	**77**	77
Breffni Byrne	-	50	-	**50**	50
Oliver Tattan	-	50	-	**50**	50
	-	177	-	**177**	177
Total	961	177	196	**1,334**	1,267

5 Staff numbers and costs

Staff numbers

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

	Number of employees 2011	2010
Temporary staff	**4,773**	3,756
Recruitment consultants	**316**	263
Management and administration	**106**	73
	5,195	4,092

Staff costs (excluding directors)	2011 €'000	2010 €'000
The aggregate payroll costs of the persons employed by the Group were as follows:		
Wages and salaries	**143,727**	111,065
Social security costs	**15,451**	11,940
Pension costs (note 22)	**284**	186
	159,462	123,191

The weighted average number of persons employed by the Company (comprising the executive directors) during the year was four *(2010: four)* and their remuneration is disclosed in Note 4.

6 Income tax expense

	2011	2010
	€'000	€'000
Recognised in the income statement:		
Current tax expense		
Current year	1,185	833
Adjustments in relation to prior years	(45)	54
Current tax expense	1,140	887
Deferred tax		
Origination and reversal of temporary differences (note 13)	(167)	(94)
Total tax in the income statement	973	793

Reconciliation of effective tax rate	2011	2010
	€'000	€'000
Profit before tax	8,132	5,291
Tax based on Irish corporation tax rate of 12.5% *(2010: 12.5%)*	1,017	661
Non-deductible items	31	122
Income taxed at higher rate	183	101
Loss relief	(183)	(101)
Foreign income taxed at higher rate	(5)	(44)
(Over)/under provision in prior year	(45)	54
Recognition of deferred tax on assets held in prior year	(25)	-
Total tax in income statement	973	793

7 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:

	2011	2010
	€'000	€'000
Final dividend paid in respect of previous financial year of 2.5 cent *(2010: 1.5 cent)* per ordinary share	**930**	558
Interim dividend paid in respect of current financial year of 2.5 cent *(2010: 1.5 cent)* per ordinary share	**930**	558
	1,860	1,116

The directors have proposed a final dividend in respect of the 2011 financial year of 2.5 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.

8 Earnings per share

	2011	2010
	€'000	€'000
Numerator for basic and diluted earnings per share:		
Profit for the financial year attributable to equity shareholders	**7,159**	4,525
Denominator for basic earnings per share:		
Weighted average number of shares in issue for the year	**37,211,825**	37,211,825
Effect of dilutive potential ordinary shares	**-**	-
Denominator for diluted earnings per share:	**37,211,825**	37,211,825
Basic earnings per share	**19.2 cent**	12.2 cent
Diluted earnings per share	**19.2 cent**	12.2 cent

9 Profit for the financial year

As permitted by Section 148(8) of the Companies Act, 1963, 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 €21,030,000 *(2010: €4,100,000).* The increase on prior year represents dividends received from subsidiary undertakings.

10 Property, plant and equipment

Group

	Land & Buildings €'000	Equipment €'000	Fixtures & fittings €'000	Motor vehicles €'000	Total €'000
Cost					
Balance at 30 June 2009	552	2,424	799	282	4,057
Acquisitions (note 20)	150	-	160	51	361
Reclassification to "assets classified as held for sale"	(150)	-	-	-	(150)
Additions	-	142	72	22	236
Disposals	-	-	-	(21)	(21)
Foreign exchange revaluation	-	2	2	-	4
Balance at 30 June 2010	552	2,568	1,033	334	4,487
Acquisitions (note 20)	-	-	20	-	20
Additions	-	164	100	-	264
Foreign exchange revaluation	-	2	(4)	(2)	(4)
Balance at 30 June 2011	**552**	**2,734**	**1,149**	**332**	**4,767**
Depreciation					
Balance at 30 June 2009	137	1,779	486	211	2,613
Depreciation charge for the year	11	270	131	51	463
Disposals	-	-	-	(14)	(14)
Foreign exchange revaluation	-	-	1	-	1
Balance at 30 June 2010	148	2,049	618	248	3,063
Depreciation charge for the year	11	314	110	32	467
Foreign exchange revaluation	-	1	-	-	1
Balance at 30 June 2011	**159**	**2,364**	**728**	**280**	**3,531**
Net book value					
At 30 June 2011	**393**	**370**	**421**	**52**	**1,236**
At 30 June 2010	404	519	415	86	1,424

Included in motor vehicles are assets with a net book value of €51,875 (2010: €86,000) which were acquired under finance leases.

10 Property, plant and equipment (continued)

Company

	Equipment €'000	Fixtures & fittings €'000	Total €'000
Cost			
Balance at 30 June 2009	113	19	132
Additions	65	-	65
Balance at 30 June 2010	178	19	197
Additions	72	78	150
Balance at 30 June 2011	**250**	**97**	**347**
Depreciation			
Balance at 30 June 2009	23	6	29
Depreciation charge for the year	28	3	31
Balance at 30 June 2010	51	9	60
Depreciation charge for the year	23	12	35
Transfer from intangible assets	16	-	16
Balance at 30 June 2011	**90**	**21**	**111**
Net book value			
At 30 June 2011	**160**	**76**	**236**
At 30 June 2010	127	10	137

11 Goodwill and intangible assets

Group

	Goodwill €'000	Brands €'000	Customer contracts & databases €'000	Software €'000	Total €'000
Cost					
Balance at 30 June 2009	17,831	450	1,068	1,014	20,363
Acquisitions (note 20)	1,375	164	252	30	1,821
Additions	-	-	-	87	87
Balance at 30 June 2010	19,206	614	1,320	1,131	22,271
Acquisitions (note 20)	459	600	200	-	1,259
Additions	-	-	-	31	31
Balance at 30 June 2011	**19,665**	**1,214**	**1,520**	**1,162**	**23,561**
Amortisation					
Balance at 30 June 2009	8,295	450	1,012	627	10,384
Amortisation for the year	-	114	308	172	594
Balance at 30 June 2010	8,295	564	1,320	799	10,978
Amortisation for the year	-	600	150	124	874
Balance at 30 June 2011	**8,295**	**1,164**	**1,470**	**923**	**11,852**
Net book value					
At 30 June 2011	**11,370**	**50**	**50**	**239**	**11,709**
At 30 June 2010	10,911	50	-	332	11,293

11 Goodwill and intangible assets (continued)

Company	Software	Total
	€'000	€'000
Cost		
Balance at 30 June 2009	-	-
Additions	102	102
Balance at 30 June 2010	102	102
Additions	19	19
Balance at 30 June 2011	**121**	**121**
Amortisation and impairment		
Balance at 30 June 2009	-	-
Amortisation for the year	27	27
Impairment for the year	30	30
Balance at 30 June 2010	57	57
Amortisation for the year	32	32
Transfer to property, plant & equipment	(17)	(17)
Balance at 30 June 2011	**72**	**72**
Net book value		
At 30 June 2011	**49**	**49**
At 30 June 2010	45	45

Goodwill

Goodwill arises in connection with business combinations and has been allocated to 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.

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 and exclude incremental profits derived from acquisition activities. 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 10.5% *(2010: 10.77%),* reflecting the risk associated with the individual future cash flows and the risk free rate.

11 Goodwill and intangible assets (continued)

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 2011 and 30 June 2010.

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 the 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. During the year, the brands and customer databases have been amortised over their estimated useful lives. The amortisation has been recorded in administration expenses within the Group income statement.

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

12 Investments in subsidiaries – Company

Investment in subsidiary undertakings

	2011	2010
	€'000	€'000
Cost		
Balance at start of year	**11,199**	10,504
Acquisitions in the year	**1,199**	702
Adjustment to prior year impairment charge	**-**	(7)
Balance at 30 June 2011	**12,398**	11,199

12 Investments in subsidiaries – Company (continued)

At 30 June 2011, in the opinion of the directors, the investments are worth at least their carrying value.

At 30 June 2011, the investments in 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 Recruitment Limited	Ireland	Ordinary
Flexsource Limited	Ireland	Ordinary
Cpl Healthcare Limited	Ireland	Ordinary
Cpl Training 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
Cpl Jobs Kft	Hungary	Ordinary
Runway Personnel Limited	Ireland	Ordinary
PHC Care Management Limited	Ireland	Ordinary
Emoberry Limited	Ireland	Ordinary

12 Investments in subsidiaries – Company (continued)

All subsidiaries are wholly owned with the exception of Servisource Healthcare Limited and Servisource Recruitment Limited (which are legally 80% owned with a put and call option over the remaining 20%).

All companies, other than Cpl Jobs S.r.o., Cpl Jobs Sp z.o.o., Cpl Recruitment S.L., Cpl (Northern Ireland) Limited, Nursefinders UK Limited, and Cpl Jobs Kft have their registered offices at 83 Merrion Square, Dublin 2.

The registered office of Cpl Jobs S.r.o. is Dita Velcevova, Truhlarska 13-15, Praha 1, 110 00, Czech Republic.

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

The registered office of Cpl Jobs Sp z.o.o. is ORCO Tower Al. Jerozolimskie 81, 02-001 Warsaw, 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 146A High Street, Tonbridge, Kent, TN9 1BB, United Kingdom.

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

13 Deferred tax assets and liabilities

Group

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

	1 July 2010 €'000	Arising in profit or loss €'000	Arising on acquisitions €'000	30 June 2011 €'000
Property, plant and equipment	42	29	-	**71**
Employee benefits	3	27	-	**30**
Losses forward	266	15	-	**281**
Intangible assets	14	86	(25)	**75**
Finance leases	-	10	-	**10**
Net deferred tax asset	325	167	(25)	**467**

	1 July 2009 €'000	Arising in profit or loss €'000	Arising on acquisitions €'000	30 June 2010 €'000
Property, plant and equipment	62	(20)	-	**42**
Employee benefits	10	(7)	-	**3**
Losses forward	197	69	-	**266**
Intangible assets	(6)	52	(32)	**14**
	263	94	(32)	**325**

Company

At 30 June 2011, the Company has a deferred tax asset of €45,179 *(2010: €4,007).*

Notes *(continued)*

14 Trade and other receivables

	Group		Company	
	2011	2010	**2011**	2010
	€'000	€'000	**€'000**	€'000
Trade receivables	**29,577**	23,114	**-**	-
Accrued income	**9,850**	8,905	**-**	-
Prepayments and other debtors	**1,679**	1,684	**795**	685
Amounts due from subsidiary undertakings	**-**	-	**38,000**	22,495
VAT recoverable	**-**	-	**61**	55
	41,106	33,703	**38,856**	23,235

Amounts due from subsidiary undertakings are repayable on demand.

15 Net funds

	Group		Company	
	2011	2010	**2011**	2010
	€'000	€'000	**€'000**	€'000
Cash and cash equivalents	**38,372**	43,461	**30,863**	42,062
Bank overdraft	**(48)**	-	**-**	-
Cash and cash equivalents in the cash flow statement	**38,324**	43,461	**30,863**	42,062
Short term bank deposits	**8,000**	-	**8,000**	-
Net funds	**46,324**	43,461	**38,863**	42,062

16 Share capital, share premium, and other reserves

	2011	2010
	€'000	€'000
Authorised		
50,000,000 ordinary shares at €0.10 each	**5,000**	5,000

	2011	2010
	€'000	€'000
Allotted, called up and fully paid		
37,211,825 *(2010: 37,211,825)* ordinary shares at € 0.10 each	**3,720**	3,720

During the year, no shares *(2010: nil)* were issued.

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 2011 amounted to €1,705,000 *(2010: €1,705,000).*

Other reserves comprise a capital conversion reserve of €57,000 *(2010: €57,000)*, a merger reserve of €3,357,000 negative *(2010: €3,357,000 negative)* and a currency translation reserve of €28,000 *(2010: €nil)*. 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. As permitted by Irish GAAP and Company Law, the distributable reserves of those companies were deemed to be distributable by the Company. The translation reserve comprises all foreign exchange differences from 1 July 2010 arising from the translation of the net assets of the Group's non-euro denominated operations including the translation of the profits 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 in order to sustain market confidence in the business. 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 through a subsidiary of the Company and will be held as treasury shares. Any purchases should have a positive effect on earnings per share.

17 Financial liabilities

Details of the interest-bearing loans and borrowings in the Group and Company are as follows:

	Group		Company	
	2011	2010	**2011**	2010
	€'000	€'000	**€'000**	€'000
Non-current liabilities				
Finance lease liabilities	**45**	158	**-**	-
Current liabilities				
Finance lease liabilities	**79**	126	**-**	-

Analysis of debt:

	Group	
	2011	2010
	€'000	€'000
Debt can be analysed as falling due as follows:		
In one year or less, or on demand	**79**	126
Between one and two years	**39**	101
Between two and five years	**6**	57
	124	284

Total future minimum lease payments on finance leases amounts to €149,114 *(2010: €319,821).*

18 Provisions

Deferred and contingent consideration	**Group**	**Company**
	€'000	**€'000**
Balance at 30 June 2010	709	700
Amount recognised during the year (note 20)	330	330
Paid during the year	(9)	-
Balance at 30 June 2011	**1,030**	**1,030**
Current	405	405
Non-current	625	625
	1,030	1,030

Total deferred acquisition consideration amounting to €1,030,000 *(2010: €709,000)* is payable over the period from 30 June 2010 to 30 September 2012 subject to certain conditions.

19 Trade and other payables

Amounts falling due in less than one year:

	Group		Company	
	2011	2010	**2011**	2010
	€'000	€'000	**€'000**	€'000
Trade creditors	**12,019**	9,144	**304**	-
Accruals and deferred income	**12,484**	11,798	**912**	605
VAT	**3,129**	2,809	**-**	-
PAYE/PRSI	**3,603**	2,869	**-**	-
Amounts due to subsidiary undertakings	**-**	-	**58,945**	65,377
	31,235	26,620	**60,161**	65,982

Amounts due to subsidiary undertakings are repayable on demand.

20 Business combinations

On 11 November 2010, the Group acquired PHC Care Management Limited and Emoberry Limited. On 13 April 2011, the Group acquired Runway Personnel Limited.

The provisional fair values of the assets and liabilities which were acquired, determined in accordance with IFRS, were as follows:

	Book Value 2011 €'000	**Fair Value adjustment 2011 €'000**	**Fair Value 2011 €'000**
Property, plant and equipment	20	-	20
Brands	-	600	600
Customer databases	-	200	200
Trade and other receivables	928	-	928
Trade and other payables	(637)	-	(637)
Deferred tax liability	-	(25)	(25)
Net identifiable assets and liabilities acquired	311	775	1,086
Goodwill arising on acquisition			459
			1,545

Satisfied by:	
Cash consideration	1,510
Cash acquired	(444)
Bank overdraft assumed on acquisition	149
Deferred consideration accrued	330
Total consideration	**1,545**

20 Business combinations (continued)

The acquisitions contributed profit before tax of €109,000 on revenues of €1.9 million for the period from their acquisition dates to 30 June 2011. The combined profit before tax for the period assuming the businesses had been purchased on 1 July 2010 would have been approximately €366,000 on revenues of approximately €6.8 million.

The initial assignment of fair values to identifiable net assets acquired has been performed on a provisional basis in respect of the above business combinations. Any amendments to these fair values within the twelve month timeframe from the date of acquisition will be reflected in the 2012 Annual Report as stipulated by IFRS 3, *Business Combinations*.

Prior year acquisitions

The Group made a number of acquisitions in the prior year. On 16 July 2009, the Group acquired the business and certain assets of Loss Control Services Limited (in receivership) and Ecom Interaction Services Limited (in receivership). On 29 July 2009, the Group acquired the business and certain assets of Techstaff International Limited. On 15 February 2010, the Group acquired Servisource Healthcare Limited (in examinership) and Servisource Recruitment Limited (in examinership).

The provisional fair values of the assets and liabilities which were acquired, determined in accordance with IFRS, were as follows:

	Book Value 2010 €'000	Fair Value adjustment 2010 €'000	Fair Value 2010 €'000
Property plant and equipment (i)	361	-	361
Brands	-	164	164
Customer databases	-	252	252
Software	-	30	30
Trade and other receivables	2,337	-	2,337
Trade and other payables	(1,879)	-	(1,879)
Deferred tax liability	-	(32)	(32)
Leases assumed on acquisition	(199)	-	(199)
Net identifiable assets and liabilities acquired	620	414	1,034
Goodwill arising on acquisition			1,375
			2,409

Satisfied by:	
Cash consideration	1,197
Cash acquired	(21)
Bank overdraft assumed on acquisition	452
Deferred consideration accrued	709
Deferred consideration (paid by 30 June 2010)	72
Total consideration	**2,409**

20 Business combinations (continued)

(i) Included in property, plant & equipment was land valued at €150,000 which was included in assets classified as held for sale in the balance sheet at 30 June 2010. The land was sold for €150,000 during the current year.

The acquisitions contributed profit before tax of €222,000 on revenues of €9.5 million for the period from their acquisition dates to 30 June 2010. The combined profit before tax for the year ended 30 June 2010 assuming the businesses had been purchased on 1 July 2009 would have been approximately €530,000 on revenues of approximately €17.6 million.

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, €222,898 *(2010: €252,544)* 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.

	2011	2010
	€'000	€'000
Payable in:		
Less than one year	**198**	210
Between one and five years	**791**	791
Greater than five years	**280**	478
	1,269	1,479

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 4. Amounts due to pension schemes at 30 June 2011 amounted to €228,978 *(2010: €27,875).*

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 review of market-based ratings, Tier 1 capital and other factors. Some of the Group's cash deposits have been placed with financial institutions that are part of the Irish Governments bank deposit guarantee scheme. The Group typically does not enter into deposits with a duration of more than 12 months.

23 Financial instruments and risk management (continued)

(a) Credit risk (continued)

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.

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

Group	**Gross 30 June 2011 €'000**	**Impairment 30 June 2011 €'000**	Gross 30 June 2010 €'000	Impairment 30 June 2010 €'000
Not past due	**25,336**	**-**	19,694	(2)
Past due 0 – 30 days	**3,417**	**-**	2,816	(128)
Past due 31 –120 days	**845**	**(215)**	806	(54)
Past due 121 days – one year	**192**	**(43)**	173	(191)
More than one year	**453**	**(408)**	361	(361)
Total	**30,243**	**(666)**	23,850	(736)

Company

The Company had no trade receivables outstanding at 30 June 2011 *(2010: €nil).*

Group

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

	30 June 2011 €'000	30 June 2010 €'000
Balance at start of year	**736**	521
Charged in the year	**380**	200
Released/utilised in the year	**(458)**	(417)
Arising on acquisition	**8**	432
Balance at end of year	**666**	736

23 Financial instruments and risk management (continued)

(a) Credit risk (continued)

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

	Group		Company	
	30 June 2011 €'000	30 June 2010 €'000	**30 June 2011 €'000**	30 June 2010 €'000
Euro	**28,437**	22,707	**-**	-
Sterling	**678**	162	**-**	-
Hungarian Forint	**192**	23	**-**	-
Czech Koruna	**165**	200	**-**	-
Polish Zloty	**69**	22	**-**	-
USD	**36**	-	**-**	-
	29,577	23,114	**-**	-

(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.

The following are the contractual maturities of the financial liabilities:

Group - 2011	**Carrying amount €'000**	**Contractual cash flows €'000**	**6 months or less €'000**	**6 -12 months €'000**	**+ 1 year €'000**
Non-derivative financial liabilities					
Finance lease liabilities	**124**	(149)	(52)	(38)	(59)
Trade and other payables	**24,503**	(24,503)	(24,503)	-	-
Provisions	**1,030**	(1,030)	-	(405)	(625)
	25,657	(25,682)	(24,555)	(443)	(684)

Group - 2010	**Carrying amount €'000**	**Contractual cash flows €'000**	**6 months or less €'000**	**6 -12 months €'000**	**+ 1 year €'000**
Non-derivative financial liabilities					
Finance lease liabilities	284	(320)	(73)	(57)	(190)
Trade and other payables	20,942	(20,942)	(20,942)	-	-
Provisions	709	(709)	(9)	-	(700)
	21,935	(21,971)	(21,024)	(57)	(890)

23 Financial instruments and risk management (continued)

(b) Liquidity risk (continued)

Company - 2011	**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	**60,161**	(60,161)	(60,161)	-	-
Provisions	**1,030**	(1,030)	-	(405)	(625)
	61,191	(61,191)	(60,161)	(405)	(625)

Company - 2010	**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	65,982	(65,982)	(65,982)	-	-
Provisions	700	(700)	-	-	(700)
	66,682	(66,682)	(65,982)	-	(700)

(c) Interest rate risk

The Group's balance sheet contains interest bearing assets.

Cash flow sensitivity analysis

At 30 June 2011, the average interest rate being earned on the Group's cash and cash equivalents and short term deposits was 1.7% *(2010: 2.9%).* 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 2010:

	50 basis point increase		**50 basis point decrease**	
	Income Statement €'000	Equity €'000	Income Statement €'000	Equity €'000
30 June 2011				
Variable rate instruments	**277**	-	(277)	-
30 June 2010				
Variable rate instruments	**233**	-	(233)	-

(d) Currency risk

The Group has no material exposure to foreign currency risk as virtually all 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.

24 Commitments and contingencies

The Company has guaranteed the liabilities of all of its subsidiaries incorporated in the Republic of Ireland (see note 12) for the purpose of obtaining exemptions allowed under Section 17 of the Companies (Amendment) Act, 1986, in relation to filing financial statements. These irrevocable guarantees cover the financial year ended 30 June 2011.

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 an annual commitment of €197,772 in respect of one of its offices in Dublin 2, which is leased by the Group from 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.
- During the year the Group entered into a short term letting arrangement with Paul Carroll for the use of part of the premises at 17 Merrion Square. This resulted in a rental expense of €5,408 in the current year.

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 executive directors of Cpl Resources Plc. Details of the remuneration of the directors are set out in Note 4 while their interests in shares are set out 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:

	2011	2010
	€'000	€'000
Dividends received from subsidiaries	**24,000**	5,000
Group expenses recharged to subsidiaries	**2,398**	2,230

Directors of the Company and their immediate relatives control 40.7% *(2010: 40.7%)* of the voting shares of the Company.

26 Non-controlling interests

	2011	2010
	€'000	€'000
Balance at beginning of year	**71**	98
Share of comprehensive income for the year	**-**	(27)
Purchase of non-controlling interest	**(71)**	-
Balance at end of year	**-**	71

27 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.

Finance lease liabilities

Fair value is based on the present value of future cash flows discounted at market rates at the balance sheet date.

28 Post balance sheet events

Subsequent to the year end the Board, having considered a range of strategic and financial options to enhance shareholder value, has determined that a return of surplus capital, by way of a Tender Offer, is in the best interests of the Group and all shareholders. The proposed Tender Offer will require the approval of shareholders at an EGM.

There have been no other significant post balance sheet events that would require disclosure in the financial statements.

29 Approval of financial statements

The consolidated financial statements were approved by the directors on 14 September, 2011.

Directors and Other Information

Directors	Breffni Byrne (Non-Executive) Paul Carroll John Hennessy (Non-Executive Chairman) Anne Heraty (Chief Executive) Garret Roche Oliver Tattan (Non-Executive) Josephine Tierney (Finance Director)
Secretary	Wilton Secretarial Limited First Floor Fitzwilton House Wilton Place Dublin 2
Registered office	83 Merrion Square Dublin 2
Auditor	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2
Solicitors	William Fry Fitzwilton House Wilton Place Dublin 2
Principal bankers	AIB plc 62 St Brigid's Road Artane Dublin 5
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

Directors and Other Information *(continued)*

Board of Directors

John Hennessy	(Non-Executive - Chairman)
Breffni Byrne *	(Non-Executive)
Oliver Tattan **	(Non-Executive)
Anne Heraty	(Executive)
Paul Carroll	(Executive)
Garret Roche	(Executive)
Josephine Tierney	(Executive)

* Chairman of the Audit Committee and Designated Senior Independent Director

** Chairman of the Nomination and Remuneration Committee

John Hennessy is a member of the Audit Committee and of the Nomination and Remuneration Committee. Breffni Byrne is a member of the Audit Committee and the Nomination and Remuneration Committee. Oliver Tattan is a member of the Nomination and Remuneration Committee.

John Hennessy, Chairman, joined the Board of Cpl Resources plc in 1999. He is a practicing barrister and a chartered accountant.

Breffni Byrne joined the Board of Cpl Resources plc in December 2007. He is chairman of NCB Stockbrokers and is a non-executive director of Coillte Teoranta, Hikma Pharmaceutical plc, Tedcastle Holdings Limited and a number of other companies. A chartered accountant, he was formerly a Senior Partner of the Audit and Business Advisory practice of Arthur Andersen in Ireland.

Oliver Tattan joined Cpl Resources plc in December 2007. He was the founder and CEO of Vivas Insurance Limited. He previously held the role of chief executive at VHI Healthcare and was co-founder of Daon.

Anne Heraty, Paul Carroll and Garret Roche each entered into service agreements dated 22 June 1999 with the Company in respect of their appointment as executive directors. Josephine Tierney entered into a service agreement dated 1 July 2001 with the Company in respect of her appointment as an executive director.

John Hennessy entered into an engagement letter dated 22 June 1999 with the Company in respect of his appointment as non-executive director of the Company. Breffni Byrne and Oliver Tattan both entered into engagement letters dated 1 December 2007 with the Company in respect of their appointments as non-executive directors of the Company.

All directors are required to present themselves for re-election every three years.

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Locations

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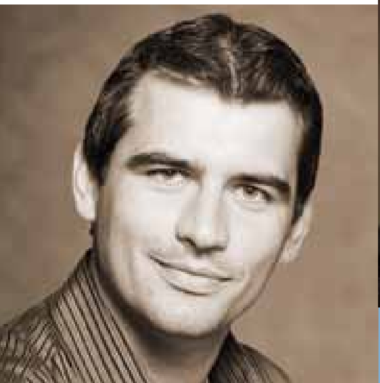

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