Registered Number : 6434555

Woodspeen Training PLC

Financial Statements

31 March 2009

Woodspeen Training PLC
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I am pleased to present the first audited financial statements of the Company covering the period from its incorporation on 22 November 2007 to 31 March 2009. I would also like to take the opportunity to expand on the Company's strategy, to report on what has been achieved to date and to set out what we hope to achieve in the immediate future.

The Company has a "buy and build" strategy in the vocational training market - a fragmented market that has many participants with turnovers of between £2 million and £5 million. Our objective is to acquire such businesses and to integrate them into a coherent and cohesive Group in order to realise the synergies and benefits that such consolidation should bring whilst driving organic growth in the operating units.

The Company obtained a quotation on the PLUS Market in March of last year in order to facilitate the acquisition process. It is our intention, where appropriate, to satisfy part of the consideration for our acquisitions by issuing shares in the Company - especially in cases where the vendors remain with the business.

We have, to date, acquired two businesses - Futures Training Centres Limited ("Futures") on 8 May 2008 which was acquired for a combination of cash, loan stock and shares and A&R Training Services Limited ("A&R") on 6 May 2009 which was acquired for cash and an issue of loan stock. We continue to look for further acquisitions that satisfy our investment criteria.

In the period under review the full benefit of our strategy has not been reflected in the reported profits as the overhead costs required to support the strategy (principally directors' salaries, PLUS Market and professional /advisors fees which come to some £150,000 per year) have had a disproportionate adverse impact. In future years as economies of scale are achieved the proportionate significance of these costs will naturally decline.

The Group's reported profit before tax of £48,564 for the period of some 16 months to 31 March 2009 was arrived at by adding the profit before tax of Futures Training Centres Ltd from the date of its acquisition to interest earned from cash on deposit and deducting the running costs of the Company for the whole period (including non-recurring professional fees amounting to £18,000 relating to the setting up of an EMI (Enterprise Management Incentive) Scheme and obtaining EIS relief for shareholders). Additionally the reported profits are adversely affected by exceptional costs of £46,755 relating to the flotation of the Company on the PLUS Market.

Futures Training Centres Ltd performed well in the period to 31 March 2009 with its turnover and profit before tax figures being higher than in previous years.

When we acquired Futures the only government sponsored training programme offered by the company was "Learndirect" programmes in the South and East Midlands regions. Towards the latter half of last year Futures secured a government sponsored contract with the LSC (Learning Skills Council) to deliver "Train to Gain" programmes in the South West region. Futures incurred considerable costs, mainly the recruitment of assessors, in order to deliver these programmes in the coming months. Due to the LSC having already overspent its budget for the academic year to 31 July 2009, contract values for all providers have been reduced for the period April to July but will be re-instated for the next academic year beginning this August. This will adversely impact on Future's profits in the first four months of the current financial year. On the plus side Futures has secured a small "Life in the UK" contract to assess non-UK residents who wish to take up permanent residence in the UK. The LSC's budget difficulties referred to above reinforce the directors' view that the Group should not become dependant for its income on any particular government sponsored programme as governments and their agencies do have a tendency to change their priorities and to do so at short notice. Indeed any change in government can be expected to bring a change in policy.

The acquisition of A & R Training Services Ltd, which operates in four centres in West Yorkshire, has diversified the Group's government sponsored training programmes into new areas - "pre-Apprenticeship" and "Apprenticeship" programmes directed at school leavers and "New Deal" programmes aimed at the long term unemployed. All the evidence at the moment is that both major political parties are committed to these programmes not only to reduce unemployment generally but, in particular, to assist the younger unemployed.

The Company has three principal objectives in the current financial year:

- Diversify the training programmes that Futures provide so that it becomes less dependent on its "Learndirect" and "Train to Gain" programmes;
- Centralise the accounting function throughout the Group to obtain synergies and improve financial control; and
- Continue to look at potential acquisitions with the aim to making one towards the end of this financial year.

In conclusion, I am happy with the progress we have made to date but the journey has only just started. I would like to thank our shareholders for the support, both financial and by way of encouragement, they have given us and to thank our employees for their efforts in taking the Group forward. Shareholders will be pleased to learn that Woodspeen won the PLUS-Quoted New Issue of the Year award in 2009.

I look forward to reporting to you again when we publish our interim statement for the six months period ending 30 September 2009.

Charles Prior
Chairman
22 June 2009

The Directors submit their report and the audited financial statements of the Group for the period from incorporation to 31 March 2009.

Results and dividends

The Group's pre-tax profit for the period before amortisation of acquired intangible assets (£44,814) and exceptional item relating to flotation costs (£46,755) amounted to £140,133. Reported pre-tax profit for the period amounted to £48,564 and reported profit after tax for the period was £10,784.

The Directors do not recommend the payment of a dividend for the period ended 31 March 2009.

Principal activities

The principal activity of the Group is government sponsored vocational training, assessment and related services. The main programmes offered by the Group are Skills for Life (numeracy and literacy) and NVQs through the aegis's of LearnDirect and Train to Gain.

Business and financial review

The Company was incorporated on 22 November 2007 with the aim of creating a substantial UK vocational training business.

In March 2008 the Company was admitted to PLUS and raised £2 million by a share placing.

In May 2008 the Company acquired 100% of the issued share capital of Futures Training Centres Limited. The acquisition was satisfied by way of issue of new shares, convertible loan notes, cash consideration and deferred contingent consideration based on future profits. The initial consideration, payable in shares, convertible loan notes and cash, was £1.15 million. The convertible loan notes were redeemed during the period. Based on the profits for the year to 31 March 2009 and forecast profit for the year to 31 March 2010, no deferred contingent consideration is expected to be paid. Details regarding the acquisition are given in Note 12 to the financial statements.

Futures Training Centres is currently the Company's only subsidiary and was acquired part way through the period covered by these financial statements. These financial statements include the results of Futures Training Centres for just less than 11 months.

The Group incurred approximately £30,000 of expenditure in the year on professional fees in connection with abortive acquisitions, obtaining EIS relief for shareholders and setting up an Enterprise Management Incentive (EMI) Scheme.

Interest income was £69,595. The reduction in base rate from 5% in July 2008 to 0.5% by March 2009, given that the Group held significant cash balances, had a detrimental impact on interest income.

Interest costs of £6,377 include £4,597 of notional interest on the unwinding of the discount on the convertible loan notes issued in connection with the acquisition of Futures Training Centres Limited.

The tax charge for the period was £37,780. The effective rate of tax for the period was 78%, considerably in excess of the UK standard rate of corporation tax (28%). The higher effective rate is due to expenses not deductible for tax purposes (flotation costs and professional fees) and unrelieved losses in the Company net of marginal small company relief. Going forward, the effective tax rate should be close to the UK standard rate of corporation tax.

Basic earnings per share for the period were 0.14p. Pro-forma earnings per share for the twelve month period from 1 April 2008 to 31 March 2009, matched to the number of shares in issue for the period was 0.30p.

Adjusted earnings per share before intangibles amortisation and exceptional item for the period were 1.15p. Pro-forma earning per share before intangibles amortisation and exceptional item for the twelve month period from 1 April 2008 to 31 March 2009, matched to the number of shares in issue during the period was also 1.15p.

Key performance indicators

The Group has in place a number of key performance indicators, both financial and non-financial, which aid the management of the Group's business and allow the Board to review performance at both Group and operating subsidiary level. The quantity and quality of management information produced by Futures Training Centres has been substantially improved since its acquisition by the Company.

The key financial performance indicators going forward will be: revenue growth; gross profit margin; operating profit margin; profit before tax; earning per share growth; and net cash generated by operating activities.

Revenue growth

On an annual basis, Futures Training Centres Limited's turnover has increased.

Gross profit margin

The gross profit margin of Futures Training Centres Limited has increased slightly over the last few years and for the period from acquisition to 31 March 2009 was 43.4%.

Net cash generated by operating activities

The net cash inflow from operating activities before the exceptional item was £70,885 on operating profits before of £76,915 before intangibles amortisation and the exceptional item.

Key risks and uncertainties

While vocational training remains a priority for the Government, the Group is exposed to general economic conditions.

The Group is reliant on continued government funding to the vocational training sector. Government policy or practice in providing funds for vocational training may change. The Group, as with other companies in the sector, may be affected by recent government reforms, including the future transfer of funding responsibilities to local authorities (for 14 to 19 year olds) and a new Adult Learning Agency (for 19 years and older).

The profitability of the Group will be in part dependent upon the continuation of a favourable regulatory climate with respect to its activities. Failing to obtain or to continue to comply with all necessary legislation and regulations could adversely affect the Group's performance.

The Group maintains relationships with the relevant regulatory and funding bodies on an ongoing basis to ensure that it has maximum visibility regarding developments and changes to the basis of government funding and the regulatory environment so that it can plan accordingly.

The Group seeks to reduce reliance on individual training programmes and specific regional funding bodies by diversifying into other programmes and geographical areas.

A fall in the standard of delivery, record keeping or reporting could adversely affect relationships with the funding bodies or the awarding bodies which could in turn impact on the financial performance of the Group. Also a fall in the standard of internal quality controls could result in a poor inspection grading and funding being clawed back.

The Group maintains strong internal processes and procedures to minimise these risks.

Share capital

Details of the authorised and issued share capital of the Company, including movements in the period, are set out in Note 17 to the financial statements.

Directors and directors' interests

The directors who served during the period and their beneficial interests in the shares of the Company as recorded in the register of Directors' interests at 31 March 2009 are as follows:

	Ordinary shares 31 March 2009 Number	%age share-holding
Executive Directors		
Lynn Chandler	375,000	3.8
Charles Prior	2,000,000	20.5

Since 31 March 2009 a further director has been appointed who took office on 1 June 2009. His interests in the ordinary shares of the Company at 31 March 2009 was as follows:

	Ordinary shares 31 March 2009 Number	%age share-holding
Non-Executive Director		
Compton Hellyer – appointed June 2009	62,500	0.6

On 5 May 2009 Lynn Chandler, Charles Prior and Compton Hellyer subscribed for 462,400, 2,000,000 and 93,956 shares respectively in the Open Offer to shareholders.

Brief biographies of the directors are given after the Directors' Report.

Substantial shareholdings

As at 19 June 2009, shareholdings of 3% or more of the shares in the Company notified to the Company are as follows:

	Ordinary shares Number	%age share-holding
Directors	4,993,856	24.3
Malcolm Calvert	624,850	3.0
Evolve Capital LLP	3,000,000	14.6

Insurance

As permitted by the Companies Act 2006, the Company maintains insurance cover for all Directors and Officers of the Company against liabilities which may be incurred by them whilst acting in those capacities.

Political and charitable donations

During the period, the Group made no political or charitable donations.

Corporate governance

The Board has put in place a framework for Corporate Governance which it believes is appropriate to the Company. The Board is committed to maintaining high standards of corporate governance, but is not required to comply with all aspects of the principles of Good Governance and the Code of Best Practice prepared by the Committee on Corporate Governance. The following statement describes how the Board has applied the Principles of Corporate Governance.

The Board

The Board is headed by the Executive Chairman together with one other executive director.

An independent non-executive director was appointed on 1 June 2009. At this early stage in the development of the Company's strategy the Board believes it to be premature to appoint further directors. Further executive and non-executive appointments will be made as the Company matures and makes further acquisitions.

All directors are subject to re-election by rotation, one-third of their number each year and their re-election is subject to shareholder approval. All newly appointed directors stand for re-election at the Annual General Meeting following their appointment. Executive directors have service contracts with the Company which are terminable by either party on three months notice.

The Board meets regularly throughout the year to discuss issues including strategy, annual budgets, the rolling financial forecast, general treasury and risk management policies.

There is an established procedure whereby directors, in furtherance of their duties, may take independent professional advice at the expense of the Company.

The Board has yet to establish an Audit Committee. A Remuneration Committee, chaired by the non-executive director and comprising the non-executive director and Executive Chairman, was established in June 2009. The Remuneration Committee will approve any changes to the remuneration of the directors, including approval of the service contracts for any new directors, and the approval of any share options granted.

As all Board appointments are formally considered by the Board, the Board considers that there is no need for a Nominations Committee.

Internal Control

The Board acknowledges its ultimate responsibility for all aspects of the system of internal control and risk management and for reviewing its effectiveness. In establishing these systems, the directors have considered the nature of the Group's business with regard to the risks to which the business is exposed, the likelihood of such risks occurring and the costs of protecting against them. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The primary responsibility for the day-to-day operation of the systems of internal control and the identified primary risks facing the Group is delegated to the Board of the Company.

The key features of the system of internal control and risk management are:

- management accounts considered by the Board on a monthly basis;
- annual budgeting with results considered regularly against budget;
- forecasts regularly updated and reported to the Board;

- cash flow forecasting on a rolling basis for up to two years in the future;
- physical and computer security issues and contingency planning;
- risk management review and monitoring of those risks; and
- regular review to confirm the on-going solvency of the Group.

Investor Relations

Any issues of concern can be addressed to the Board by any shareholder. All shareholders are encouraged to attend the Annual General Meeting and any Extraordinary General Meetings, where they are given an opportunity to question the Chairman and the Board.

Corporate social responsibility

The Group aims to operate at all times in a socially responsible manner and is committed to achieving high standards of corporate governance, integrity and business ethics in all of its activities. The Group's activities focus on an important area of Corporate Social Responsibility, namely the provision of high quality vocational training designed to improve the skills of the UK workforce with a particular emphasis on those individuals with qualifications below National Vocational Qualifications Level 2.

The Group acknowledges the importance of environmental matters and where possible, utilises environment friendly policies in its offices such as recycling and energy efficient practices.

Employees

The Group recognises that people are its greatest asset. The Group has a policy of keeping all employees informed about its plans and progress through regular meetings and electronic communication. Participation by employees in the progress and profitability of the Group is encouraged, where appropriate, through annual bonus schemes. Employee development is encouraged with formal staff appraisals and training programmes.

The Group operates recruitment and selection procedures which consider all applicants for employment on the basis of qualification for specific vacancies without regard to race, colour, religion, sex, age, disability or national origin.

Employee Participation

Employees of the Group are able to participate in the success of the Group through its employee share scheme.

The Group has adopted an Enterprise Management Incentive (EMI) Scheme to allow individuals to be granted the right to acquire Ordinary Shares in the Company subject to the terms of the Income Tax (Earnings and Pensions) Act 2003 and EMI Scheme. The price payable on the exercise of the options granted under the EMI Scheme will not be less than the market value of the Ordinary Shares at the date of grant and not be less than the nominal value of an Ordinary Share.

No options have been granted yet under this EMI Scheme.

Creditors' payment policy

It is the policy of the Group to agree terms and conditions with suppliers and to pay in accordance with them, provided the goods or services concerned have been supplied in accordance with those terms and conditions.

At 31 March 2009, the Group had an average of 33 days purchases outstanding in trade creditors.

Financial instruments

Details of the Group's risk management objectives and policies and its exposure to financial risk are set out in Note 15 to the financial statements.

The purpose of the policies is to ensure that adequate cost-effective funding is available to the Group and exposure to financial risk – interest rate, liquidity and credit risk – is minimised.

Post balance sheet events

On 16 April 2009 the Company allotted 1,000,000 ordinary shares of 10p at a price of 22p per share.

On 5 May 2009 the Company allotted 9,760,000 ordinary shares at 10p (nominal value) following an Open Offer to shareholders.

On 6 May 2009 the Company acquired 100% of the issued share capital of A&R Training Services Limited for an aggregate consideration of £3.1 million, payable as to £2.7 million in cash and £0.4 million in loan notes. In addition the Company will pay on a £ for £ basis for net assets in excess of £0.4 million at 30 April 2009. The payment for excess net assets, which is expected to be made at the end of June 2009, will be settled in cash and is anticipated to be £0.11 million.

Future developments

The Group intends to continue to develop and extend its range of vocational training activities through both organic growth and acquisition. As set out in the Company's Re-Admission Document issued in April 2008, the aim of the Group is to create a substantial UK vocational training business principally by acquiring existing businesses providing government sponsored and/or privately funded vocational training.

Going concern

The Board reviews the financial position of the Company and Group on a regular basis and as part of the process of approving the financial statements. After reviewing the Group's budget for 2009/10, events subsequent to the year end and its medium term plans, the Directors are confident that the Company and the Group have adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they have continued to adopt the going concern basis in preparing the financial statements.

Auditors

The Directors confirm, that, so far as each director is aware, there is no relevant audit information of which the auditors are unaware and that each director has taken all reasonable steps to make himself or herself aware of any relevant audit information and to establish that the auditors are aware of that information.

A statement by the Directors' of their responsibilities for preparing the financial statements of the Group and Company are given in the respective Statement of directors' responsibilities in relation to the financial statements.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re appoint them will be proposed at the Annual General Meeting.

Annual general meeting

The Annual General Meeting will be held at the office of Memery Crystal LLP, 44 Southampton Buildings, London WC2A 1AY on 30 July 2009 at 11.30 am.

The resolutions to be proposed at the Annual General Meeting, together with explanatory notes, are contained within the Notice of Annual General Meeting.

By Order of the Board

Lynn Chandler
Company Secretary

22 June 2009

Biographical Information on Directors:

Charles Prior - Executive Chairman - Aged 61

Charles is a chartered accountant and was one of the founder shareholders and directors of BPP Holdings plc ("BPP"). BPP joined the London Stock Exchange in 1987. Charles was its Chief Executive until his retirement in August 2007. Under his leadership BPP grew into a substantial training company with market capitalisation of over £250M.

Lynn Chandler - Finance Director - Aged 48

Lynn is a chartered accountant and was the Finance Director of BPP Holdings plc for 10 years until she retired from full-time employment in 2005. Lynn is a non-executive committee member of A2Dominion Housing Group.

Compton Hellyer - Non-Executive Director - Age 62

Compton worked in the City for over 20 years, first as a stockbroker and then as a financial adviser on commodities and futures. In 1991 Compton founded Sporting Index which soon became the world leaders in spread betting. He left Sporting Index when it was bought by a private equity firm in 2003 and now is chairman of six small private companies. Compton is a member of the Jockey Club and is a non-executive director of Epsom Racecourse.

Statement of directors' responsibilities in relation to the Group and Parent company financial statements

Directors' responsibilities

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company, for safeguarding the assets of the Company, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a Directors' Report which complies with the requirements of the Companies Act 1985.

The directors are responsible for preparing the annual report and the financial statements in accordance with the Companies Act 1985. The directors have chosen to prepare financial statements for the Group in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs) and have chosen to prepare the Parent company accounts in accordance with UK Generally Accepted Accounting Practice.

Group financial statements

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Group's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. A fair presentation also requires the Directors to:

- consistently select and apply appropriate accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

Parent company financial statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

Financial statements are published on the Group's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Group's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent auditor's report to the shareholders of Woodspeen Training PLC

We have audited the Group and Parent company financial statements (the "financial statements") of Woodspeen Training PLC for the period from incorporation to 31 March 2009 which comprise the Group income statement, the Group statement of recognised income and expense, the Group and Company balance sheets, the Group cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and Group financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and for preparing the Parent company financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statements of directors' responsibilities.

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 and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with those financial statements. We also report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the directors' report and the chairman's statement. 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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

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 European Union, of the state of the Group's affairs as at 31 March 2009 and of its profit for the period then ended;
- the Parent company financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Parent company's affairs as at 31 March 2009;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors
Emerald House
East Street
Epsom
Surrey KT17 1HS

22 June 2009

Woodspeen Training PLC
Group income statement
Period to 31 March 2009

	Note	Period ended 31 March 2009 £
Revenue	2	**1,966,862**
Cost of sales		**(1,112,843)**
Gross profit		**854,019**
Administrative expenses		**(868,673)**
Group operating loss	2,3	**(14,654)**

Analysed as:		
Operating profit excluding exceptional item		**32,101**
Exceptional item	6	**(46,755)**
		(14,654)

Finance revenue		**69,595**
Finance costs	7	**(6,377)**
Profit before taxation		**48,564**
Tax expense	8	**(37,780)**
Profit for the period	18	**10,784**

Earnings per share		
- Basic and diluted	9	**0.14p**

The results above are for the period from 22 November 2007, the date of incorporation, to 31 March 2009.

Turnover and profit all derive from continuing operations.

Statement of recognised income and expense for the period ended 31 March 2009

There is no difference between the profit for the period shown and the total recognised income and expense for the period. Reconciliation of movements in total equity are given in Note 18 to the financial statements.

The accompanying Notes form an integral part of these Group financial statements.

Woodspeen Training PLC
Group balance sheet
As at 31 March 2009

	Note	2009
		£
Assets		
Non-current assets		
Property, plant and equipment	10	**56,903**
Intangible assets	11	**1,103,164**
		1,160,067
Current assets		
Trade and other receivables	13	**304,502**
Cash and short term deposits		**1,931,963**
		2,236,465
Total assets		**3,396,532**
Liabilities		
Current liabilities		
Trade and other payables	14	**181,745**
Current tax liabilities		**11,554**
		193,299
Non-current liabilities		
Deferred tax liabilities	16	**22,257**
		22,257
Total liabilities		**215,556**
Net Assets		**3,180,976**
Equity		
Capital and reserves attributable to equity holders of the Company		
Issued share capital	17,18	**976,000**
Share premium reserve	17,18	**1,854,928**
Merger reserves	18	**336,000**
Retained earnings	18	**14,048**
Total Equity		**3,180,976**

The financial statements were approved and authorised for issue by the Board of Directors on 22 June 2009 and were signed on its behalf by:

Charles C L Prior
Chairman

The accompanying Notes form an integral part of these Group financial statements.

Woodspeen Training PLC
Group cash flow statement
Period to 31 March 2009

	Note	Period ended 31 March 2009 £
Cash flows from operating activities		
Profit before taxation		**48,564**
Adjustments for:		
Depreciation of property, plant and equipment	10	**14,608**
Amortisation of intangibles	11	**44,814**
Finance income		**(69,595)**
Finance costs		**6,377**
Increase in trade and other receivables		**(65,632)**
Increase in trade and other payables		**44,994**
Cash generated by operations		**24,130**
Income taxes paid		**(27,408)**
Cash flows from operating activities		**(3,278)**
Cash flows from investing activities		
Acquisitions – Consideration	12	**(651,487)**
Acquisitions – Cash acquired	12	**41,254**
Acquisitions - Expenses	12	**(153,952)**
Purchase of plant and equipment	10	**(19,317)**
Interest received		**69,595**
Net cash used in investing activities		**(713,907)**
Cash flows from financing activities		
Proceeds from issue of shares	18	**2,834,000**
Expenses in connection with share issues	18	**(83,072)**
Repayment of loan notes		**(100,000)**
Interest paid		**(1,780)**
Net cash used in financing activities		**2,649,148**
Increase in cash and cash equivalents		**1,931,963**
Cash and cash equivalents on incorporation		**-**
Cash and cash equivalents at end of period		**1,931,963**

The accompanying Notes form an integral part of these Group financial statements.

1 Accounting policies

(a) General information

Woodspeen Training plc ("the Company") was incorporated in the United Kingdom on 22 November 2007 under the Companies Act 1985.

The Company's principal activity is that of a holding company owning 100% of Futures Training Centres Limited, which provides government sponsored vocational training.

(b) Basis of preparation

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) adopted for use in the European Union (EU) as they apply to the financial statements of the Group for the period ended 31 March 2009, and therefore comply with Article 4 of the EU IAS Regulation, and with those parts of the Companies Act 1985 applicable to groups preparing their accounts under IFRS.

The Group has applied all accounting standards and interpretations issued by the International Accounting Standards Board and International Accounting Interpretations Committee effective at the time of preparing the financial statements.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for revenues, expenses, assets, intangible assets (including goodwill), liabilities and disclosures of contingent liabilities at the date of the financial statements. However, the nature of estimation means that actual outcomes could differ from those estimates.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities in the next financial year are as follows:

- The measurement and impairment of goodwill, an intangible asset with an indefinite life. The Group determines whether goodwill is impaired on an annual basis requiring an estimation of the value in use of the cash generating unit to which goodwill is allocated. This involves estimation of future cash flows and choosing a suitable discount rate.
- The determination of the fair value of intangible assets on acquisition and their useful lives.

(c) Basis of consolidation

The consolidated financial information includes the accounts of the Company and its subsidiary undertakings at the balance sheet date using the acquisition method. The Company's only subsidiary is Futures Training Centres Limited.

Subsidiary undertakings are consolidated from the date on which control is transferred to the Group. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those adopted by the Group.

The financial statements of all subsidiaries are prepared to the same reporting date as the Parent company.

On acquisition, the assets, liabilities and contingent liabilities of a subsidiary undertaking are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to the income statement in the period of acquisition.

The principal accounting policies adopted by the Group are as follows:

(d) Intangible assets

Goodwill

Goodwill represents the excess of the fair value of the consideration over the fair values of the identifiable net tangible and intangible assets acquired.

Under IFRS3 'Business Combinations' goodwill arising on acquisitions is not subject to amortisation but is subject to annual impairment testing. Any impairment is recognised immediately in the income statement and not subsequently reversed.

1 Accounting policies (continued)

(d) Intangible assets (continued)

Intangible assets acquired on acquisition of a subsidiary undertaking

Intangible assets that are acquired on acquisition of a subsidiary undertaking are stated at fair value at date of acquisition and amortised over their expected useful economic lives on a straight-line basis. The amortisation charge is included in administrative expenses in the income statement.

Customer contracts - 27 months.

(e) Property, plant and equipment

Property, plant and equipment are shown at cost less subsequent depreciation and impairment.

Depreciation on assets is calculated to allocate the cost of each asset less its residual value (based on prices prevailing at the balance sheet date) over its estimated useful life. Depreciation on leasehold improvements is calculated using the straight line method. Depreciation of fixtures and equipment is calculated using the reducing balance method. Depreciation rates are as follows:

Leasehold improvements – straight line over the shorter of the lease term or expected useful life

Fixtures – 25% per annum reducing balance

Equipment – 25% per annum reducing balance

The residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

An asset's carrying amount is written down immediately to its recoverable amount (the higher of an asset's fair value less costs to sell and its value in use) if the asset's carrying amount is greater than its estimated recoverable amount.

(f) Impairment of assets

Goodwill is tested at least annually (or whenever events or changes in circumstances indicate that carrying value may be impaired) for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Assets that are subject to amortisation (intangible assets) or depreciation (tangible assets) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the greater of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units). 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.

(g) Financial instruments

Financial assets and financial liabilities are recognised on the Group balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial Assets

The Group classifies its financial assets in the following categories: loans and receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date. Financial assets are initially recognised at fair value (the transaction price plus directly attributable transaction costs).

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as trading assets and have not been designated as either fair value through profit and loss or available for sale. Such assets are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in income when the loans and receivables are de-recognised or impaired, as well as through the amortisation process.

1 Accounting policies (continued)

(g) Financial instruments (continued)

Financial assets classified as loans and receivables comprise:

- Trade and other receivables – are measured initially at fair value and subsequently at amortised cost. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.
- Cash and cash equivalents – comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities

Financial liabilities classified as loans and borrowings comprise:

- Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the income statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.
- Other financial liabilities - Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(h) Cash and cash equivalents

Cash and short term deposits in the balance sheet include cash at banks and in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(i) Equity instruments

Equity instruments issued by the Company are recorded the fair value of the proceeds received, net of direct issue costs.

(j) Financial liabilities and equity instruments

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

Convertible loan stock instruments are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt and the fair value assigned to the equity component, representing the embedded option to convert the liability into equity of the Group, is included in capital reserves.

(k) Revenue recognition

Revenue from trading activities

Revenue, which is stated net of value added tax, represents revenue earned in respect of services provided in the period. Where amounts have been earned but not invoiced during the period, the amount included in revenue is the proportion of the anticipated net sales earned to date. A corresponding balance is recognised in receivables as accrued revenue.

Where revenue is directly linked to specific achievements, such as payments in respect of learner registration and assessment, this revenue is only recognised when the specific achievement is met.

Interest income

Interest income is recognised as the interest accrues using the effective yield on the asset.

(l) Exceptional items

These are material items which derive from events or transactions that fall within the ordinary activities of the Group and which individually or, if of a similar type, in aggregate, need to be disclosed by virtue of their size or incidence if the financial statements are to give a true and fair view.

1 Accounting policies (continued)

(m) Retirement benefits: Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the income statement in the year to which they relate.

(n) Taxation

The tax expense represents the sum of tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated, on an undiscounted basis, at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

(o) New standards and interpretations not applied

The IASB and IFRIC have issued the following new standards, amendments to standards and interpretations relevant to the Group which are not effective for the financial period beginning on incorporation on 22 November 2007 and have not been early adopted:

- Amendment to IAS 1 'Presentation of Financial Statements'- effective 1 January 2009. Separates out owner and non-owner changes in equity. The statement of changes in equity will include only details of transaction with owners, with non-owner changes in equity presented as a single line. In addition, it introduces the statement of comprehensive income where all items of recognised income and expenditure are presented in either on single statement or two linked statements.
- Amendment to IFRS 3 'Business Combinations'- effective 1 July 2009. Applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. From the date of adoption, acquisition costs will be written off the profit and loss account rather than capitalised as part of the cost of the asset.
- Amendment to IFRS 8 'Operating segments' – effective 1 January 2009. Requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes and regularly reviewed by the Board in order to allocate resources to the segment and assess its performance.

Other than the above, the Directors do not anticipate any other IASB pronouncements issued but not yet effective will impact the Group.

2 Segment information

The Group's primary reporting format is business segments and its secondary format is geographical segments.

The Group only operates in a single business and geographical segment. The Group's single line of business is the provision of vocational training, whilst the geographical segment in which it operates is currently restricted to England.

Accordingly no segmental information for business segment or geographical segment is required.

3 Group operating profit

		Period ended 31 March 2009
This has been arrived at after charging/(crediting):		£
Deprecation of property, plant and equipment	(Note 10)	14,608
Amortisation of intangibles	(Note 11)	44,814
Operating lease rentals		99,464
Auditors' remuneration		
- Audit of financial statements		18,800
Other fees paid to auditors and their associates		
- Statutory audit of subsidiaries		9,775
- Other services		12,493
- Services relating to corporate finance transactions		6,345

In addition, the auditors received £75,506 for services relating to corporate finance transactions not charged to the income statement in connection with the listing and admission of the Company to PLUS, the acquisition of Futures Training Centres Limited and the placing of shares.

4 Staff costs

	Period ended 31 March 2009
	£
Wages and salaries	766,918
Social security costs	70,124
	837,042

A subsidiary company operates a defined contribution pension scheme. No contributions were made during the period.

The average monthly number of employees during the period was made up as follows:

	Period ended 31 March 2009
	Number
Administration	36
Management	3
	39

Included in the above are the directors and their remuneration.

5 Directors' emoluments

	Salary	Benefits	Period ended 31 March 2009 Total
			£
Lynn Chandler	**16,500**	**-**	**16,500**
Charles Prior	**16,500**	**1,622**	**18,122**
	33,000	**1,622**	**34,622**

6 Exceptional items

	Period ended 31 March 2009
	£
Recognised in arriving at Group operating profit from continuing operations	
Flotation costs	**46,755**
	46,755

The Company incurred costs of £129,827 in connection with the placing of 5,000,000 shares and the admission of the Company to PLUS Markets on 17 March 2008.

IAS 32 requires that flotation costs are treated as a revenue item rather than being set off against share premium. £46,755 of the costs incurred related to the flotation of the Company on PLUS markets and have therefore been expensed as an exceptional item. The £83,072 of costs relating to the placing of shares has been set off against the share premium account.

The exceptional item is not allowable for tax.

7 Finance costs

	Period ended 31 March 2009
	£
Bank loans and overdrafts	**422**
Notional interest on convertible loan notes	**4,597**
Other	**1,358**
	6,377

8 Income tax expense

(a) Tax on profit for the period

Tax charged in the income statement	Period ended 31 March 2009
	£
Current tax:	
UK corporation tax	**52,897**
Deferred tax (Note 16)	
Charge/(Credit) for period	**(15,117)**
Tax charge in the income statement	**37,780**

8 Income tax expense (continued)

(b) Reconciliation of the total tax charge

The reasons for the difference between the actual tax charge for the period and the standard rate of corporation tax in the UK applied to profits for the period are as follows:

	Period ended 31 March 2009
	£
Accounting profit before tax	48,564
Expected tax charge based on the standard rate of corporation tax in the UK of 28%	13,598
Effects of:	
Marginal relief	(4,473)
Tax losses for which no deferred tax asset was recognised	7,868
Expenses not deductible for tax purposes	23,703
Other differences	(2,916)
Total tax charge for the period	37,780

9 Earnings per share

(a) Basic and diluted earnings per share

The calculation of basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted number of shares in issue during the period.

To understand the underlying trading performance, the directors feel it appropriate to disclose earnings per share before and after adjusting for the amortisation of intangible assets acquired on acquisition of subsidiaries and the exceptional item relating to flotation costs. The calculation of adjusted earnings per share is set out below:

	Period ended 31 March 2009
	£
Earnings attributable to ordinary shareholders	10,784
Amortisation charge on acquired intangible assets (net of tax)	32,593
Flotation costs	46,755
Adjusted profit on ordinary activities after tax	90,132
Weighted average number of shares – basic	7,805,706
Basic earnings per share (pence)	0.14
Amortisation charge on acquired intangible assets (pence)	0.41
Flotation costs (pence)	0.60
Adjusted basic earnings per share (pence)	1.15

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential Ordinary Shares of which there are none.

9 Earnings per share (continued)

(b) Pro-forma basic and diluted earnings per share for 12 months to 31 March 2009

	12 months ended 31 March 2009 Pro forma
	£
Earnings attributable to ordinary shareholders	**28,629**
Amortisation charge on acquired intangible assets (net of tax)	**35,526**
Flotation costs	**46,755**
Adjusted profit on ordinary activities after tax	**110,910**
Weighted average number of shares – basic	**9,675,425**
Basic earnings per share (pence)	**0.30**
Amortisation charge on acquired intangible assets (pence)	**0.37**
Flotation costs	**0.48**
Adjusted basic earnings per share (pence)	**1.15**

The pro-forma basic and adjusted earnings per share calculations are presented to illustrate the earnings per share based on the twelve month period from 1 April 2008 to 31 March 2009, matched to the number of shares in issue during the period. This includes results for Futures Training Centres Limited from 1 April 2008 through to 31 March 2009 of which an element of these results is pre-acquisition (£15,416 profit after tax). Likewise income (net of tax) of £1,950 earned on the cash held by Woodspeen for the purchase of Futures Training Centres Limited has been eliminated and costs (net of tax) of £2,933 relating to the notional amortisation of intangible assets acquired on the acquisition of Futures Training Centres Limited for the period to the date of actual acquisition has been included.

(c) Potential ordinary share transactions

The deferred contingent consideration in respect of the acquisition of Futures Training Centres Limited to in Note 12 provides for up to 750,375 ordinary shares to be issued in June 2010. Based on forecast profit for the year to 31 March 2010, no ordinary shares will be issued or contingent consideration paid.

Account would not be taken of any shares potentially issuable in settlement of deferred contingent consideration for Futures Training Centres Limited as the conditions for issue have not yet been achieved.

10 Property, plant and equipment

	Leasehold improvements	Fixtures	Equipment	Total
	£	£	£	£
Cost				
Additions	11,959	3,104	4,254	19,317
Acquired through business combinations	-	14,120	38,074	52,194
At 31 March 2009	11,959	17,224	42,328	71,511
Accumulated depreciation				
Charge for the period	747	3,242	10,619	14,608
At 31 March 2009	747	3,242	10,619	14,608
Net book value				
At 31 March 2009	**11,212**	**13,982**	**31,709**	**56,903**

11 Intangible assets

	Goodwill	Customer Contracts	Total
	£	£	£
Cost			
Acquired through business combinations	1,037,978	110,000	1,147,978
At 31 March 2009	1,037,978	110,000	1,147,978
Amortisation			
Charge for the period	-	44,814	44,814
At 31 March 2009	-	44,814	44,814
Net book value			
At 31 March 2009	**1,037,978**	**65,186**	**1,103,164**

Impairment of goodwill and intangible assets

The total amount of goodwill acquired through business combinations and recognised at 31 March 2009 is allocated for impairment testing to a single cash generating unit. This represents the lowest level within the Group at which goodwill is monitored for internal management purposes.

The carrying value of goodwill is compared with the asset's recoverable amount, based on value in use, on an annual basis to determine whether impairment exists. The value in use calculation was performed using pre-tax cash flow projections based on financial plans approved by management for the next two years. Cash flows beyond the two year budgeted period are extrapolated using a 1% growth rate. These future cash flows are discounted by an appropriate risk adjusted pre-tax discount rate (17.45%) to give the value in use.

Impairment review requires the use of certain market assumptions and discount factors that are subjective in nature. Estimated values can be affected by many factors outside of the Group's control such as business and economic trends, changes to government policy etc. Management believe that the assumptions used to determine value in use are appropriate and reasonable. However changes in circumstances affecting assumptions used could have a significant impact on the value in use potentially resulting in an impairment write down.

12 Acquisitions

On 8 May 2008 the Company acquired 100% of the issued share capital of Futures Training Centres Limited which provides government sponsored computer based vocational training courses to adults in the UK. The acquisition was satisfied by way of issue of new shares, convertible loan notes, cash consideration and deferred contingent consideration based on future profits. The transaction has been accounted for by the purchase method of accounting.

Fair Values

The book and fair values of the assets and liabilities acquired were as follows:

	Book value	Fair value adjust-ments	Fair value
	£	£	£
Intangible assets	-	110,000	110,000
Tangible assets	57,274	(5,080)	52,194
Deferred tax assets	41,346	-	41,346
Trade and other receivables	225,508	-	225,508
Bank balances and cash	41,254	-	41,254
Trade and other payables	(123,353)	-	(123,353)
Current tax liabilities	(27,447)	-	(27,447)
Deferred tax liabilities	(41)	(36,000)	(36,041)
	214,541	68,920	283,461
Goodwill			1,037,978
			1,321,439

12 Acquisitions (continued)

Fair value adjustments comprise intangible assets recognised on acquisition in accordance with IFRS 3 'Business Combinations, the related deferred tax liability in respect of the intangible asset recognised, the write down of tangible assets to fair value and provision for unrecognised deferred tax liabilities in Futures Training Centres Limited.

Satisfied by:	**£**
Cash	651,487
Convertible loan notes	95,403
Equity instruments	4,597
Ordinary shares	416,000
Acquisition costs	153,952
	1,321,439

The outflow of cash resulting from the acquisition is as follows:

	£
Cash	651,487
Acquisition costs	153,952
Cash and cash equivalents acquired	(41,254)
	764,185

The consideration shares were valued at market price on date of acquisition.

The deferred contingent consideration, payable in cash and shares, is based on the achievements of pre-tax profit targets and is dependent on the level of profit achieved in the financial years ending 31 March 2009 and 2010. Based on the profits for the year to 31 March 2009, no contingent consideration is payable in June 2009. Based on forecast profit for the year to 31 March 2010, no contingent consideration is expected to be paid in June 2010. The maximum amount of contingent consideration payable, based on profits for the year to 31 March 2010, is £862,500. The maximum contingent consideration will only be payable if profits for the year to 31 March 2010 exceed £445,000.

The £100,000 (nominal value) of convertible loan notes were redeemed for cash on 30 January 2009. The convertible loan notes were unsecured and interest free.

The convertible loan notes were discounted to their current value. The discount is unwound from the month following acquisition to the month of settlement inclusive.

The intangible assets identified on the acquisition of Futures Training Centres Limited represent the Directors' estimate of the fair value of customer contracts at acquisition. Residual goodwill represents items that cannot be individually separated and measured due to their natures. This includes the value associated with Futures Training Centres' workforce and delivery model, systems and processes.

Futures Training Centres Limited's profit after tax for the period 8 May 2008 to 31 March 2009 was £131,392.

13 Trade and other receivables

	2009
	£
Current	
Trade receivables	**186,996**
Other receivables	**18,311**
Prepayments and accrued income	**99,195**
	304,502

The carrying amounts of trade and other receivables approximate to their fair value. Trade and other receivables are non-interest bearing and generally on 30 days' terms.

14 Trade and other payables

	2009
	£
Current	
Trade payables	**71,214**
Other taxes and social security taxes	**27,518**
Accruals	**83,013**
	181,745

Trade payables are non-interest bearing and normally settled on 30 day terms.

15 Financial instruments

The Group's activities expose it to a number of financial risks that include credit risk, liquidity risk and cash flow interest rate risk. These risks, and the Group's policies for managing them which have been applied consistently throughout the period, are set out below.

Market Risk

Interest rate risk

The Group's interest rate risk arises from interest bearing assets and liabilities. The Group has in place a policy of maximising finance income by ensuring that cash balances earn a market rate of interest; offsetting, where possible, cash balances and by forecasting and financing its working capital requirements.

Non-market Risk

Liquidity Risk

The Group's working capital requirements are managed through regular monitoring of the overall cash position and regularly updated cash flow forecasts to ensure that there are sufficient funds available for its operations.

Trade payables generally fall due for settlement within 30 days. All trade and other payables mature within one year.

Credit risk

Credit risk arises principally from the Group's trade receivables which comprise amounts due from customers. Prior to accepting new customers a credit check is obtained.

The Group has a significant concentration of credit risk, with two customers representing the majority of trade receivables. Both customers are funded indirectly by the Government and are reliant on continued funding for vocational training. The Group enters into annual contracts with these two customers determining the level of approved activity for the period.

At 31 March 2009 there were no debts past their due date.

The credit risk on liquid funds is low because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Analysis of total financial assets and liabilities.

The Group's financial instruments are categorised as follows:

Financial assets

	Loans and receivables
	2009
	£
Trade and other receivables	**271,753**
Cash and cash equivalents	**1,931,963**
	2,203,716

The carrying value of the Group's financial assets represents its maximum credit risk exposure at the balance sheet date.

15 Financial instruments (continued)

Financial liabilities

	Measured at amortised cost 2009 £
Trade and other payables	**154,227**
	154,227

Fair value of financial instruments

The carrying amount of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

16 Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 28%.

The movement on the deferred tax account is as shown below:

	2009 £
Acquired on acquisition subsidiary	**41**
Fair value adjustments on acquisition subsidiary	**36,000**
Arising on items taken directly to equity	**1,333**
Profit and loss charge/(credit)	**(15,117)**
At 31 March 2009	**22,257**

Details of the deferred tax liability and amounts charged/(credited) to the income statement are as follows:

	Liability 2009 £	Charged/ (Credited) to income statement 2009 £
Accelerated capital allowances	**4,478**	**(1,563)**
Intangibles	**17,779**	**(12,221)**
Release items taken directly to equity	**-**	**(1,333)**
	22,257	**(15,117)**

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related benefit through future taxable profits is probable. The Group did not recognise deferred tax assets of £7,868 in respect of losses amounting to £28,099 that can be carried forward against future taxable income. These losses have no set expiry date.

17 Share capital

The Company has one class of Ordinary shares which carry equal voting rights and no right to fixed income.

	31 March 2009 Number	31 March 2009 £
Authorised		
Ordinary shares to 10p each	100,000,000	10,000,000
Allotted, called up and fully paid		
Ordinary shares of 10p each		
Issued on incorporation	2	-
Allotment of shares 26 November 2007	499,998	50,000
Allotment of shares 30 January 2008	3,250,000	325,000
Placing of shares 17 March 2008	5,000,000	500,000
Placing of shares 31 March 2008	100,000	10,000
Placing of shares 1 April 2008	25,000	2,500
Placing of shares 3 April 2008	35,000	3,500
Placing of shares 25 April 2008	50,000	5,000
Allotted on 8 May 2008 on acquisition of Futures Training Centres Limited	800,000	80,000
	9,760,000	976,000

18 Reconciliation of movements in equity

	Issued share capital £	Share premium account £	Merger reserve £	Other reserves £	Retained earnings £	Total share-holders equity £
Profit for the period	-	-	-	-	10,784	10,784
Total recognised income/ expense for the period	-	-	-	-	10,784	10,784
Allotment shares in period	375,000	375,000	-	-	-	750,000
Placing of shares in period	521,000	1,563,000	-	-	-	2,084,000
Allotted on acquisition of Futures Training Centres	80,000	-	336,000	-	-	416,000
Expenses of share issues	-	(83,072)	-	-	-	(83,072)
Convertible loan note – equity component	-	-	-	4,597	-	4,597
Deferred tax on equity component	-	-	-	(1,333)	-	(1,333)
Transfers	-	-	-	(3,264)	3,264	-
At 31 March 2009	976,000	1,854,928	336,000	-	14,048	3,180,976

Share premium account
This reserve records the consideration premium for shares issued at a value that exceeds the nominal value.

Merger reserve

The Company has applied the provisions of Section 131 of the Companies Act 1985 and obtained merger relief on the 800,000 ordinary shares issued with a fair value of 52p per share, as part of the acquisition of the entire share capital of Futures Training Centres Limited on 8 May 2008.

Other reserves

This reserve records movements, including deferred tax, on items taken directly to equity. The transactions in the period relate to the conversion element of the loan notes. The conversion option lapsed during the period and the items are released to retained earnings.

19 Related party transactions

The Company paid £48,917 to Whim Gully Capital LLP for corporate finance services during the period. Mr Edward Vandyk is a partner of Whim Gully Capital LLP and also a director of Evolve Capital plc, a substantial shareholder.

20 Obligations under leases

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2009
	£
Not later than one year	7,940
After one year and not more than five years	43,317
After five years	180,000
	231,257

21 Post balance sheet events

On 16 April 2009 the Company allotted 1,000,000 ordinary shares of 10p at a price of 22p per share.

On 5 May 2009 the Company allotted 9,760,000 ordinary shares at nominal value following an Open Offer to shareholders.

On 6 May 2009 the Company acquired 100% of the issued share capital of A&R Training Services Limited for an aggregate consideration of £3.1 million, payable as to £2.7 million in cash and £0.4 million in loan notes. In addition the Company will pay on a £ for £ basis for net assets in excess of £0.4 million at 30 April 2009. The payment for excess net assets, which is expected to be made at the end of June 2009, will be settled in cash and is anticipated to be £0.11 million. It is not practicable to disclose the fair value of the net assets acquired as detailed identification and valuation of intangible assets is incomplete. This information will be disclosed in the group's interim statement on the period to 30 September 2009.

Woodspeen Training PLC
Company balance sheet
As at 31 March 2009

	Note	2009
		£
Fixed assets		
Investments	4	**985,439**
		985,439
Current assets		
Debtors: amounts falling due within one year	5	**1,243,632**
Cash at bank and in hand		**502,900**
		1,746,532
Creditors: amounts falling due within one year	6	**(18,387)**
Net current assets		**1,728,145**
Total assets less current liabilities		**2,713,584**
Capital and reserves		
Issued share capital	7,8	**976,000**
Share premium account	8	**1,854,928**
Retained earnings	8	**(117,344)**
Equity Shareholders' Funds		**2,713,584**

The financial statements were approved and authorised for issue by the Board of Directors on 22 June 2009 and were signed on its behalf by:

Charles C L Prior
Chairman

The accompanying Notes form an integral part of these financial statements.

1 Accounting policies

(a) General information

Woodspeen Training plc ("the Company") was incorporated in the United Kingdom on 22 November 2007 under the Companies Act 1985.

The Company's principal activity is that of a holding company owning 100% of Futures Training Centres Limited, which provides government sponsored vocational training.

(b) Basis of preparation

These financial statements present financial information for Woodspeen Training plc as a separate entity, and have been prepared in accordance with the historical cost convention, the Companies Act 1985 and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice). The Company's Consolidated Financial Statements, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, are separately presented. The principal accounting policies adopted in these Company financial statements are set out below and, unless otherwise indicated, have been consistently applied for all periods presented.

The principal accounting policies adopted by the Company are as follows:

(c) Investments

Investments held as fixed assets are stated at cost less any provision to reflect impairment in value.

Where applicable, the Company takes advantage of merger relief, recording the investment in the Company's balance sheet at the nominal value of the shares issued.

(d) Impairment of fixed assets

Investments held as fixed assets are tested at least annually (or whenever events or changes in circumstances indicate that carrying value may be impaired) for impairment and carried at cost less accumulated impairment losses. Provisions for any impairment in value are taken to the profit and loss account.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the greater of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units).

(e) Equity instruments

Equity instruments issued by the Company are recorded the fair value of the proceeds received, net of direct issue costs.

(f) Financial liabilities and equity instruments

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

(g) Taxation

Deferred taxation is recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. An asset is not recognised to the extent that the realisation of economic benefits in the future is uncertain. Deferred tax assets and liabilities are not discounted.

2 Profit for the period

The Company has taken advantage of Section 230 of the Companies Act 1985 and has not included its own Profit and Loss Account in these financial statements. The Company loss after tax for the period from incorporation to 31 March 2009 under UK GAAP was £121,941.

3 Staff costs

	Period ended 31 March 2009
	£
Wages and salaries	33,000
Social security costs	2,832
	35,832

The only employees of the Company are the Directors, neither of whom are employed full-time by the Company. The average monthly number of employees, based on the number of employees rather than the number of full-time equivalents, during the period was as follows:

	Period ended 31 March 2009
	Number
Management	2
	2

4 Investments

	Investment in subsidiary undertakings
	£
Cost	
Purchase of subsidiary undertakings	985,439
At 31 March 2009	985,439
Provision	
Provided in period	-
At 31 March 2009	-
Net book value	
At 31 March 2009	985,439

On 8 May 2008 the Company acquired 100% of the issued share capital of Futures Training Centres Limited which provides government sponsored vocational training courses to adults in the UK. The acquisition was satisfied by way of issue of new shares, convertible loan notes, cash consideration and deferred contingent consideration based on future profits.

The Company has applied the provisions of Section 131 of the Companies Act 1985 and obtained merger relief on the 800,000 ordinary shares issued, with a fair value of 52p per share, as part of the acquisition of the entire share capital of Futures Training Centres Limited on 8 May 2008. The shares are therefore accounted for at nominal value rather than fair value.

The deferred contingent consideration is based on the achievements of pre-tax profit targets and is dependent on the level of profit achieved in the financial years ending 31 March 2009 and 2010. Based on the profits for the year to 31 March 2009, no contingent consideration is payable in June 2009. Based on forecast profit for the year to 31 March 2010, no contingent consideration is expected to be paid in June 2010.

The following were subsidiary undertakings at the end of the period and are included in the consolidated financial statements.

Name	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
Futures Training Centres Limited	UK	100%	Vocational Training

5 Debtors: amounts falling due within one year

	2009
	£
Corporation tax	6,000
Subsidiary undertakings	1,217,500
Prepayments and accrued income	20,132
	1,243,632

6 Creditors: amounts falling due within one year

	2009
	£
Other payables	1,175
Accruals	17,212
	18,387

7 Share capital

The Company's disclosures in respect of share capital are set out in Note 17 on page 25 of the Group financial statements.

8 Reconciliation of movements in share capital and reserves

	Issued share capital	Share premium account	Other reserves	Retained earnings	Total share-holders equity
	£	£	£	£	£
On incorporation	-	-	-	-	-
Retained loss for period	-	-	-	(121,941)	(121,941)
Allotment shares in period	375,000	375,000	-	-	750,000
Placing of shares in period	521,000	1,563,000	-	-	2,084,000
Allotted on acquisition of Futures Training Centres	80,000	-	-	-	80,000
Expenses of share issues	-	(83,072)	-	-	(83,072)
Convertible loan note – equity component	-	-	4,597	-	4,597
Transfers	-	-	(4,597)	4,597	-
At 31 March 2009	976,000	1,854,928	-	(117,344)	2,713,584

The Company has applied the provisions of Section 131 of the Companies Act 1985 and obtained merger relief on the 800,000 ordinary shares issued with a fair value of 52p per share, as part of the acquisition of the entire share capital of Futures Training Centres Limited on 8 May 2008.

9 Related party transactions

The Company paid £48,917 to Whim Gully Capital LLP for corporate finance services during the period. Mr Edward Vandyk is a partner of Whim Gully Capital LLP and also a director of Evolve Capital plc, a substantial shareholder.

10 Post balance sheet events

The Company's disclosures in respect of post balance sheet events are set out in Note 21 on page 26 of the Group financial statements.

Officers, company details and professional advisers

Officers and Company Details

Directors
Charles Prior FCA (Executive Chairman)
Lynn Chandler ACA (Finance Director)
Compton Hellyer (Non-Executive Director)

Secretary
Lynn Chandler ACA

Company number
6434555

Registered office
32 Wingate Road
Hammersmith
London
W6 0UR

Country of incorporation
Great Britain

Legal form
Public company limited by shares

Professional Advisers

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Broker
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