Registered number: 2763292

Exemplas Holdings Limited

Group Financial Statements for the year ended 31 March 2009

Directors and Officers

Directors
JN Reyner (Chairman) CBE, DL
JG Collier
TR Hutchings
TM Neville FCCA
AM Puddefoot
C Tapster

Secretary
AM Puddefoot

Registered Office
Zenith Court
4 Bishops Square Business Park
Hatfield
Herts
AL10 9NE

Auditors
Grant Thornton UK LLP
Bryanston Court
Selden Hill
Hemel Hempstead
HP2 4TN

Bankers
National Westminster Bank plc
10 St Peter's Street
St Albans
Herts
AL1 3LY

Directors' report

Financial statements

The directors present their annual report and financial statements for the year ended 31 March 2009.

Principal Activities

The group (Exemplas Holdings Ltd and its subsidiaries undertakings and joint ventures) principal activity is the provision of a wide range of business advice and support services including information, training, consultancy and events management. There have not been any significant changes in the company's principal activities in the year under review.

Business review and future developments

As shown in the group's profit and loss account on page 8, income has increased by 75% and the operating profit margin for the financial year of £812k is again ahead of the target of £575k. Government contracts both with the UK and Europe remain the group's key source of income with income levels from Europe being maintained despite the movement of funding to succession countries of the EU.

The Balance Sheet continues to reflect the strong trading position. The cash position has remained strong throughout the period.

Key performance indicators

	Target	2009	2008
Income	£34.5m	£42m	£24m
Operating Profit	£575k	£812k	£529k
Business Link Penetration	47%	48%	45%
Intensive Relationships	5,500	5,607	5,425
Overall Customer Satisfaction	93%	89%	92%

Notes to KPI:

BL Penetration represents the number of customers served as a percentage of the number of businesses in Hertfordshire. This is one of the key performance indicators for the delivery of the business link contract and the group has met this target.

Intensive Relationships are where the company has worked with businesses to analyse their needs and develop an action plan that is implemented over a period of time. The group has over achieved against this target.

Overall Customer Satisfaction represents the percentage of customers surveyed that are Satisfied or Very satisfied with the service received. This is an extremely stretching target and the group are in discussions with the East of England Development agency on the effect of the brokerage model on, and the future measurement of, this target.

Other Developments

On the 1 April 2008 Exemplas Holdings Ltd purchased 100% of Polyfield Services Ltd from the University of Hertfordshire for £44,860.

Funds previously held by East of England Business Links (to provide venture and loan capital to small and medium sized companies in eligible areas within the East of England) transferred to Exemplas Holdings Ltd along with investments relating to this fund on the 31 March 2009.

The Directors of the Company have made a decision to cease to trade in Hertfordshire Business Centre Services (HBCS) and this company will run on a break up basis. The assets and liabilities within HBCS 2009 accounts have been prepared on a break up basis.

Principal risks and uncertainties facing the company

Financial instruments

The company's operations expose it to a variety of financial risks including the effects of changes in interest rates on debt, foreign currency exchange rates, credit risk and liquidity risk.

The company does not have material exposures in any of the areas identified above and, consequently does not use derivative instruments to manage these exposures.

The company's principal financial instruments comprise sterling cash and bank deposits obligations under finance leases together with trade debtors and trade creditors that arise directly from its operations.

The main risks arising from the company's financial instruments can be analysed as follows:

Price risk

The company has no significant exposure to securities price risk, as it holds no listed equity investments.

Foreign currency risk

The company is exposed in its trading operations to the risk of changes in foreign currency exchange rates. As the level of these operations is small the overall risk is not significant. The main foreign currency in which the company operates is the Euro.

Credit risk

The company's principal financial assets are cash, and trade debtors, which represent the company's maximum exposure to credit risk in relation to financial assets.

The company's credit risk is primarily attributable to its trade debtors. Credit risk is not considered to be significant as the majority of its large contracts are from local, central or European government, who are unlikely to default.

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

Liquidity risk

The company holds a significant proportion of its assets in the form of cash held on flexible short term deposits and consider that the risk attached to these is therefore low.

Dividends

The directors do not propose the payment of a dividend for the year ended 31 March 2009.

Donations

The company made no charitable donations during the year.

Directors

The directors of the company during the year were as follows:

JN Reyner (Chairman) CBE, DL	
RR Bain	Resigned 9 June 2008
JG Collier	
CH Godfrey	Resigned 9 June 2008
TR Hutchings	
JSHA Kane	Resigned 9 June 2008
A Mee	Appointed 10 March 2009
TM Neville FCCA	
WE Peacock CMG, DL	Resigned 31 October 2008
AM Puddefoot	
C Tapster	

On 24 August 2009 A Mee resigned as a director of the company. None of the directors who held office at 31 March 2009 had any interest in the shares of the company or its subsidiaries.

Statement of directors' responsibilities for the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

At the date of making this report each of the company's directors, as set out on page 1, confirm the following:

- so far as each director is aware, there is no relevant information needed by the company's auditors in connection with preparing their report of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

A resolution to reappoint Grant Thornton UK LLP as auditors of the company will be proposed at the forthcoming Annual General Meeting.

Approval

The report of the directors was authorised and approved by the Board on 2/10/2009 and signed on its behalf by:

J.N Reyner

JN Reyner CBE DL
Chairman
4 Bishops Square Business Park
Hatfield
Herts
AL10 9NE

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF EXEMPLAS HOLDINGS LIMITED

We have audited the group and parent company financial statements (the 'financial statements') of Exemplas Holdings Limited for the year ended 31 March 2009 which comprise the principal accounting policies, the group profit and loss account, the group and company balance sheets, the group cash flow statement, the group statement of total recognised gains and losses and notes 1 to 18. 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 235 of the Companies Act 1985. 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 auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement 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 are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we 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. 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 financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 31 March 2009 and of the group's profit for the year then ended;
- 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.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS
Hemel Hempstead
6 October 2009

Consolidated profit and loss account

For the year ended 31 March 2009

	Notes	2009 £	2008 restated £
Income		42,311,190	23,863,443
Other Income – Exchange Rate Movement		-	89,064
Less Income attributable to Joint Venture		(25,092,948)	(8,187,828)
Total Income		17,218,242	15,764,679
Operating costs		(15,043,600)	(13,746,650)
Administrative expenses		(1,735,162)	(1,460,263)
Group Operating profit		439,480	557,766
Share of operating profit/(loss) in Joint Ventures		372,044	(29,139)
		811,524	528,627
Interest receivable - group		174,694	252,389
Interest receivable - Joint Ventures		59,436	41,626
Other finance income		33,000	26,000
Profit on ordinary activities before taxation	1	1,078,654	848,642
Taxation*	2	(35,980)	(65,179)
Profit on ordinary activities after taxation	8	1,042,674	783,463

All profits arise from continuing activities and are recognised in the profit and loss account above.

Consolidated profit and loss account

For the year ended 31 March 2008

Statement of Group Total Recognised Gains and Losses

For the year ended 31 March 2009

	2009	2008
	£	£
Retained profit/(loss) for the year	1,042,674	783,463
Actuarial gain relating to the pension scheme	(635,000)	684,000
Total recognised gains/(loss) for the year	407,674	1,467,463

The notes on pages 13 to 29 form an integral part of these accounts.

Group balance sheet

31 March 2009

	Notes		2009		2008 restated
		£	£		£
Fixed assets					
Tangible assets	3		371,567		1,725,769
Investments	3		1,565,988		-
Goodwill	4		1,948		-
Investments in joint ventures					
Share of gross assets		7,182,542		2,506,883	
Share of gross liabilities		(6,767,704)		(2,506,883)	
			414,838		-
			2,354,341		1,725,769
Current assets					
Debtors	6		5,466,094		9,620,898
Cash at bank and in hand			5,138,366		3,023,067
			10,604,460		12,643,965
Creditors: amounts falling due within one year	7		(8,222,550)		(9,718,001)
Net current assets			2,381,910		2,925,964
Total Assets less Current Liabilities			4,736,251		4,651,733
Pension (Liability)/Asset	15		(212,000)		382,000
Creditors: amounts falling due after one year			-		(917,156)
Net assets			4,524,251		4,116,577
Capital and reserves					
Called-up share capital	8		100		100
Other Reserve (attributable to Business Link Yorkshire contract)	9		414,838		-
Profit and Loss Reserve	9		4,109,313		4,116,477
Total Group Profit and Loss Reserve	9		4,524,151		4,116,477
Equity shareholders' funds	10		4,524,251		4,116,577

The notes on pages 13 to 29 form an integral part of these accounts.

The financial statements on pages 8 to 29 were authorised and approved by the Board on 2/10/2009 and signed on its behalf by:

J.N. Reyner

JN Reyner CBE DL

Company Balance Sheet
31 March 2009

Chairman

	Notes	2009	2008
		£	£
Fixed assets			
Investments	5	44,928	20
Current assets			
Debtors	6	1,774,333	1,548,235
Cash at bank and in hand		2,427	430,346
		1,776,760	1,978,581
Creditors: amounts falling due within one year	7	(1,190,856)	(1,306,769)
Net current assets		585,904	671,812
Total assets less current liabilities		630,832	671,832
Pension Asset/(Liability)	15	(212,000)	382,000
Net assets		418,832	1,053,832
Capital and reserves			
Called-up share capital	8	100	100
Reserves	9	418,732	1,053,732
Equity shareholders' funds	10	418,832	1,053,832

The notes on pages 13 to 29 form an integral part of these accounts.

The financial statements on pages 8 to 29 were authorised and approved by the Board on 2/10/2009 and signed on its behalf by:

JN Reyner

JN Reyner CBE DL
Chairman

Cash flow statement

For the year ended 31 March 2009

	Notes	2009	2008
		£	£
Net cash (outflow) from operating activities	11	3,807,352	(1,194,993)
Returns on investments and servicing of finance			
Interest received		234,130	252,389
Taxation			
UK corporation tax paid		(153,786)	(101,278)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(204,461)	(1,679,750)
Payments to acquire Goodwill		(1,948)	-
Receipts from sale of tangible fixed assets		-	49,279
Payments to acquire investments		(1,565,988)	-
Net cash outflow from capital expenditure and financial investment		(1,772,397)	(1,630,471)
Increase/(Decrease) in cash during the year	12	2,115,299	(2,674,353)

The notes on pages 13 to 29 form an integral part of this cash flow statement.

Statement of accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the current year and the preceding year. The directors have taken the decision to cease trading in a subsidiary of the group, Hertfordshire Business Centre Services Ltd, (HBCS) and the 2009 HBCS accounts have been prepared on a break up basis. In particular, Fixed Assets have been valued on the basis that they will be transferred to Exemplas Ltd at fair value.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2009. The results of subsidiaries acquired are included in the consolidated profit and loss account from the date that control passed. Intra-group sales and profits are eliminated fully on consolidation.

On acquisition of a subsidiary, all of the subsidiary's assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date.

Joint venture companies

Joint ventures are accounted for in accordance with FRS 9 whereby the profit and loss account include, at the appropriate line, the group's share of operating profit or loss, exceptional items, interest and taxation. They are stated in the balance sheet at the group's share of their equity. Losses are recognised only to an amount which brings the group's share in the joint ventures net assets to nil. This reflects the contractual arrangements between the group and its joint venture companies.

Turnover

Turnover arose solely in the UK and mainly represents government and other funding invoiced net of VAT. Revenue is recognised once the services have been provided. Grant income received in advance is credited to "accruals and deferred income" and is released to income when the obligations under the grant have been satisfied and the related expenditure has been disbursed. Where grant monies are not paid in advance, income is reflected in the profit and loss representing value of work executed under the terms of the contract. Where grant monies have not been received but have been invoiced they are shown as trade debtors. Where grant monies are due to the group but not been invoiced they are shown as accrued income.

Foreign currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date the transaction occurred. Exchange differences are taken to the profit and loss account.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life at the following rates per annum;

Statement of accounting policies (continued)

Office equipment and furniture	- 25%
Computer equipment	- 33%
Leasehold improvements	- Over the term of the lease

Fixed asset investments

Fixed asset investments are stated at current valuation less any provision for impairment.

Operating leases

Operating leases are charged against income on a straight-line basis over the lease term. Benefits received as an incentive to sign an operating lease, are spread on a straight line basis over the shorter of the lease term or the first review date, at which the rent is first expected to be adjusted to the prevailing market rate.

Government grants

Grants for capital expenditure are credited to deferred income and are released to the profit and loss account over the expected useful life of the assets.

Grants received in respect of specific project expenditure are credited to deferred income and recognised in the profit and loss account in the same period as the related expenditure.

Pension costs

Staff employed by the company are either members of the Hertfordshire County Council Pension Scheme (a defined benefit scheme) or are members of the group administered personal pension plan (a defined contribution scheme).

In the case of the defined benefit scheme, the regular cost of providing benefits is charged to the profit and loss account over the service lives of the members participating in the Hertfordshire County Council Pension Scheme, on the basis of a consistent percentage of pensionable pay. Variations from regular cost arising from periodic actuarial valuations are allocated to the profit and loss account over the expected remaining service lives of the members. Any other changes in the fair value of assets and liabilities are recognised in the statement of total recognised gains and losses.

The costs of providing retirement and related benefits for the group administered personal pension plan are charged to the income and expenditure account over the periods during which the members are employed.

Taxation

Corporation tax is provided at amounts expected to be paid or (recovered) using tax rates that have been enacted or substantially enacted by the balance sheet date.

Statement of accounting policies (continued)

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date.

Timing differences are differences between the company's taxable profits and its results as stated in the financial statements. Deferred tax is measured at the average tax rates expected to apply in the periods in which the timing differences are expected to reverse based on rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is measured on a non-discounted basis.

Profit and loss account

The group accounts consolidate the accounts of Exemplas Holdings Limited and its subsidiary undertakings. The company has taken advantage of the exemption under Section 230 of the Companies Act 1985 not to present its own profit and loss account. Profit after tax for the financial year dealt within the accounts of Exemplas Holdings Limited was £nil (2008: nil).

1 Profit on ordinary activities before taxation is stated after charging/(crediting):

	2009 £	2008 £
Auditors' remuneration - audit fee	25,000	30,000
Depreciation	182,929	187,646
Profit on disposal of fixed assets	-	(3,429)
Operating lease charges – land and buildings	295,000	295,000

2 Taxation

	2009 £	2008 £
Current tax:		
UK corporation tax on profit for the year	133,426	61,018
Adjustment in respect of prior years	(83,458)	(20,522)
Total current tax	49,968	40,496
Deferred tax:		
Origination of timing differences (Note 12)	(13,988)	4,860
Effect of change in rate on opening balances	-	444
Adjustment in respect of prior years	-	6,892
Total deferred tax	(13,988)	12,196
Tax on profit on ordinary activities	35,980	52,692

Taxation in the profit and loss statement relates to the following:

Parent and subsidiaries	19,338	52,692
Joint Ventures	16,642	12,487

Notes to the financial statements (continued)

31 March 2009

2 Taxation (continued)

Tax assessed for the period differs from the amount expected by applying the standard rate of corporation tax in the UK (28%) (2008: 30%). The differences are explained below:	**2009**	**2008**
	£	**£**
Profit on ordinary activities before tax	1,078,654	836,155
Profit on ordinary activities multiplied by standard rate in the UK (28%) (2008: 30%)	302,023	250,846
Effects of:		
Non taxable income	(203,111)	(185,331)
Expenses not deductible for tax purposes	7,665	2,992
Other timing differences	9,143	(3,665)
Group relief (claimed)/surrendered)	-	-
Tax rate difference	(2,917)	(3,750)
Adjustments in respect of prior years	(83,458)	(20,522)
Depreciation in excess of capital allowances for period	9,207	(74)
Additional income taxable	11,416	-
Current tax charge for the year	49,968	40,496

3 Tangible fixed assets

Group

	Leasehold improvements	**Computer equipment**	**Office Equipment and furniture**	**Total**
	£	**£**	**£**	**£**
Cost				
1 April 2008	718,734	2,315,200	350,626	3,384,560
Additions	-	200,610	3,851	204,461
Disposals	(319,304)	(877,836)	(178,595)	(1,375,735)
31 March 2009	399,430	1,637,974	175,882	2,213,286
Depreciation				
1 April 2008	394,607	1,117,180	147,004	1,658,791
Charge for the year	2,197	173,379	7,352	182,928
Disposals	-	-	-	-
31 March 2008	396,804	1,290,559	154,356	1,841,719
Net book amount				
At 31 March 2009	2,626	347,415	21,526	371,567
At 31 March 2008	324,127	1,198,020	203,622	1,725,769

Company

The company had no fixed assets.

4. Goodwill

	2009	2008
Cost at a April 2008	44,928	-
Fair value of net assets at acquisition on 31 March 2008	42,980	-
At 31 march 2009	**1,948**	-

Goodwill arose on the acquisition of Polyfield Services Ltd.

5 Fixed asset investments

Company

	2009	2008
	£	£
At 1 April 2008	20	20
Additions during year	44,908	-
31 March 2009	44,928	20

Investment arose on the acquisition of Polyfield Services Ltd in the year.

At 31 March 2009, the company held the following investments.

Company	% Shareholding £1 Ordinary Shares	Holding	Nature of Business
Hertfordshire Business Centre Services Limited	100%	£2	Provision of services to business
Exemplas Limited	100%	£2	Provision of services to business
Hertfordshire Business Centre Limited	100%	£2	Dormant
Herts IDB Limited	100%	£2	Dormant
East of England IDB Limited	50%	£2	Provision of services to business
Bio Park Hertfordshire Limited	100%	£2	Provision of facilities management
Hertfordshire Development Organisation Limited	100%	£2	Dormant
East of England Brokerage Limited	100%	£2	Dormant
London Brokerage Limited	100%	£2	Provision of services to business
Polyfield Services Limited	100%	£14	Provision of services to business
Y&H IDB Limited	50%	£50	Provision of services to business
Employer Training Services	100%	£2	Provision of services to business
South East IDB Limited	100%	£2	Dormant
Exemplas Training Limited	100%	£2	Dormant

There was a decrease in shareholding relating to Y&H IDB as they issued 98 more shares in the year of which 48 related to the shareholding in Exemplas Holdings Ltd.

Notes to the financial statements (continued)

31 March 2009

The following relates to the company share of investment in its joint venture East of England IDB Limited.

	2009	2008
	£	£
Turnover	8,487,774	8,187,828
Profit before tax	14,503	12,487
Taxation	14,503	12,487
Profit after tax	-	-
Fixed Assets	115,039	227,655
Current Assets	2,120,173	2,279,227
Creditors: amounts falling due within one year	2,235,212	2,506,832

The following relates to the company share of investment in its joint venture Y&H IDB Limited

	2009	2008
	£	£
Turnover	16,693,955	-
Profit before tax	416,976	-
Taxation	2,139	-
Profit after tax	414,837	-
Fixed Assets	586,306	-
Current Assets	4,423,429	-
Creditors: amounts falling due within one year	3,865,607	-
Creditors: amounts falling due within one year	593,074	

Group

	2009	2008
	£	£
At 1 April 2008		-
Additions during year	1,565,988	-
31 March 2009	1,565,988	-

Investment arose on the transfer of investments in a number of unlisted companies from East of England Business Links Ltd in the year. The holdings constitute less than 20% of the issued share capital of these entities, except for those listed below.

Entities with more than 20% of share capital is listed below:

Company	Country of registration and incorporation	Class	Shares held
			%
Villastogo Limited	England	Ordinary	22%

The aggregate amount of capital and reserves and the results of the undertakings for the last relevant financial year were as follows:

	Capital & Reserves	Results for the year
Villastogo Limited	36,719	£(325,509)

6 Debtors

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	2,224,419	3,776,727	666,886	944,153
Amounts owed by group undertakings	-	-	364,897	178,093
Amounts owed by parent entity	55,654	-	-	-
Amounts owed by subsidiaries	19,273	-	-	-
Other debtors	88,744	325,967	80,200	92,762
Deferred tax (Note 12)	16,203	2,215	-	-
Prepayments and accrued income	3,061,801	5,515,989	662,350	333,227
	5,466,094	9,620,898	1,774,333	1,548,235

7 Creditors: amounts falling due within one year

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade creditors	802,191	2,550,161	96,265	79,705
Amounts owed to group undertakings	-	-	-	-
Corporation tax	123,196	40,496	-	-
Other creditors	2,284	1,716	2,295	1,716
Pension contributions	166,389	117,319	166,389	117,319
Other taxation and social security	281,254	186,610	234,481	160,876
Accruals and deferred income	6,847,236	6,821,699	691,426	947,153
	8,222,550	9,718,001	1,190,856	1,306,769

8 Share capital

	Authorised 2009 Number	Authorised 2008 Number	Allotted, called-up and fully paid 2009 £	Allotted, called-up and fully paid 2008 £
£1 Ordinary shares	100	100	100	100

Shareholders

	2009 %	2008 %
University of Hertfordshire	98	98
Hertfordshire County Council	1	1
Hertfordshire Chamber of Commerce & Industry	1	1
	100	100

9 Reserves

	Group –other reserves £	Group profit and loss account £	Total Group profit and loss account £	Company profit and loss account £
At 1 April 2008	-	4,116,477	4,116,477	1,053,732
				-
Profit for the financial year	414,838	627,836	1,042,674	-
Actuarial (Loss) /Gain	-	(635,000)	(635,000)	(635,000)
31 March 2009	414,838	4,109,313	4,524,151	418,732

The Group – other reserves represents the company's share of Business Link Yorkshire Ltd reserve. This is a contract cessation reserve which is intended to cover potential liabilities that may arise over the life of the Business Link contract. It is anticipated that the wind-up liability will principally accrue in relation to personnel costs. A target figure for this reserve represents the company's share of 100% of the estimated contract cessation costs. By virtue of the company's main contract this reserve may only be used for this specific purpose.

10 Reconciliation of movements in shareholders' funds

	Group 2009 £	Group 2008 £	Company 2009 £	Company 2008 £
Opening shareholders funds	4,116,577	2,649,114	1,053,832	369,832
Total recognised gains/(losses) for the period	407,674	1,467,463	(635,000)	684,000
Closing shareholders' funds	4,524,251	4,116,577	418,832	1,053,832

11 Reconciliation of group operating profit to net cash inflow/(outflow) from operating activities

	2009 £	2008 £
Group operating profit	811,524	557,766
FRS 17 pension adjustment	(8,000)	(23,000)
Depreciation	182,929	191,075
(Profit) on disposal of fixed assets	-	(3,429)
Decrease/(Increase) in debtors	(303,707)	(4,486,911)
(Decrease)/Increase in creditors	3,124,606	2,569,506
Net cash (outflow) from continuing operating activities	3,807,352	(1,194,993)

12 Reconciliation of net cash flow to movement in net cash

	2009 £	2008 £
Increase/(Decrease) in cash during period	2,115,299	(2,674,353)
Net cash at 1 April 2008	3,023,067	5,697,420
Net cash at 31 March 2009	5,138,366	3,023,067

13 Deferred tax asset

Group

	2009 £	2008 £
Other timing differences	16,203	2,215

		£
At 1 April 2008	2,215	14,411
Charged to the profit and loss account (Note 2)	13,988	(12,196)
At 31 March 2009	16,203	2,215

Company

The company has no provided or unprovided deferred tax.

14 Employees

Number of employees

The average monthly number of employees during the year (including executive directors) was:

	2009 Number	2008 Number
Operation	75	61
Administration	47	48
	122	109

Employment costs

	2009 £	2008 £
Salaries	3,825,492	3,078,605
Social security costs	445,800	370,394
Other pension costs	543,750	401,491
	4,815,042	3,850,490

Directors

	2009 £	2008 £
Directors' emoluments (including pension contributions)	339,780	278,457

Emoluments include:

	2009 £	2008 £
Highest paid director – remuneration and benefits	164,487	156,571

Directors Pensions	2009 Number	2008 Number
Directors whose retirement benefits are accrued under defined contribution schemes	1	1
Directors whose retirement benefits are accrued under defined benefits schemes	1	1

15 Pensions

The Company operates a multi-employer defined benefit scheme. The basis on which the net pension liability is recognised in the financial statements is set out in note 1.

A full actuarial valuation was carried out at 31 March 2007 and updated to 31 March 2009 by a qualified actuary.

The Company is currently contributing to the Scheme at a rate of 28.8% of pensionable salaries. For the year ended 31 March 2009, the Company contributed to the Scheme at a rate of 28.8% of pensionable salaries.

The major assumptions used by the actuary were (in nominal terms):

	31 March 2009	31 March 2008
	% p.a.	% p.a.
Price increases	3.2	3.6
Salary increases	4.7	5.1
Pension increases	3.2	3.6
Discount rate	6.9	6.9

The expected rate of return on assets in the scheme were:

		Expected return at
	1 April 2009	1 April 2008
	% p.a.	% p.a.
Equities	7.0	7.7
Bonds	5.4	5.7
Property	4.9	5.7
Cash	4.0	4.8

Life expectancy from age 65 (years)

Retiring today	Males	22.1
	Females	25.1
Retiring in 20 years	Males	23.2
	Females	26.1

The post retirement mortality tables adopted were the PA92 and PMA92 series projected to calendar year 2027 for current pensioners and calendar year 2046 for non-pensioners. Age ratings are applied based on membership profile.

Notes to the financial statements (continued)

31 March 2009

15 Pensions (continued)

Net pension asset/(liability) as at	31 March 2009	31 March 2008
	£'000	£'000
Present value of funded obligation	2,136	2,709
Fair value of scheme assets (bid value)	(2,348)	(2,327)
Net Asset/(Liability)	(212)	382

The amounts recognised in the profit and loss statements as at	31 March 2009	31 March 2008
	£'000	£'000
Current service cost	63	77
Past service cost	31	-
Losses (gains) on curtailments and settlements	-	81
Total operating charge	94	158
Interest on obligation	163	154
Expected return on scheme assets	(196)	(180)
Total charged to current year profit and loss account	61	132
Actual return on scheme assets	(658)	(111)

Reconciliation of opening and closed balances of the present value of the defined benefit obligation	31 March 2009	31 March 2008
	£'000	£'000
Opening defined benefit obligation	**2,327**	**2,770**
Service cost	63	77
Interest cost	163	154
Actuarial losses/(gains)	(225)	(757)
Losses/(gains) on curtailments	-	81
Estimated benefits paid (net of transfers in)	(36)	(18)
Past service cost	31	-
Contributions by scheme participants	25	20
Closing defined benefit obligation	**2,348**	**2,327**

Notes to the financial statements (continued)

31 March 2009

15 Pensions (continued)

Reconciliation of opening and closed balances of the fair value of scheme assets	31 March 2009 £'000	31 March 2008 £'000
Opening fair value of scheme assets	**2,709**	**2,419**
Change in asset disclosure method	-	-
Expected return on scheme assets	196	180
Actuarial gains/(losses)	(860)	(72)
Contributions by employer	102	181
Contributions by scheme participants	25	20
Estimated benefits paid (net of transfers in)	(36)	(19)
Fair value of scheme assets at end of period	**2,136**	**2,709**

Statement of total recognised gains and losses (STRGL)	31 March 2009 £'000	31 March 2008 £'000
Actual return less expected return on pension scheme assets	(860)	(291)
Experience gains and losses arising on the scheme liabilities	-	501
Change in assumptions underlying present value of the scheme	225	474
Actuarial gain/(loss) in pension scheme and STRGL	(635)	684

Reconciliation of opening and closing surplus	31 March 2009 £'000	31 March 2008 £'000
Deficit in scheme at beginning of year	382	(351)
Movement in year:		
Current service cost	(63)	(77)
Employer contributions	102	181
Past service costs	(31)	-
Other finance income	33	26
Impact of settlements and curtailments	-	(81)
Actuarial (loss)/gain	(635)	684
Deficit in scheme at end of year	(212)	382

15 Pensions (continued)

Amounts for the current and previous four periods

	Year to March 2009	Year to March 2008
	£'000	£'000
Defined benefit obligation	(2,348)	(2,327)
Surplus/deficit	(212)	382
Experience adjustments on scheme liabilities	-	282
Experience adjustments on scheme assets	(860)	(72)

	Year to March 2007	Year to March 2006
	£'000	£'000
Defined benefit obligation	(2,770)	(2,869)
Surplus/deficit	(351)	(698)
Experience adjustments on scheme liabilities	(1)	1
Experience adjustments on scheme assets	16	311

	Year to March 2005
	£'000
Defined benefit obligation	(2,042)
Surplus/deficit	(377)
Experience adjustments on scheme liabilities	(1)
Experience adjustments on scheme assets	48

For consistency the assets are shown at bid price (estimated where necessary) for the periods prior to 31 March 2009.

Projected amount to be charged to operating profit for year to 31 March 2010	Year to 31 March 2010
	£'000
Projected service cost	54
Interest cost	164
Return on assets	(138)
Total	80
Estimated employer contributions for the year to 31 March 2010	101

16 Parent undertaking

At 31 March 2009, the companies' shareholders were as follows:

The University of Hertfordshire (UH)	98%
The Hertfordshire Chamber of Commerce and Industry (HCCI)	1%
Hertfordshire County Council (HCC)	1%

The UH balance represents a year-end net debtor of £107,594 (2008 £4,428). There were no amounts owing to, nor owed by HCC (net creditor for 2008: £0). The HCCI represents a year-end net creditor of £448 (2008: £6,320).

The accounts of Exemplas Holdings Limited are consolidated with the financial statements of the University of Hertfordshire. The financial statements of the University of Hertfordshire can be obtained from The University of Hertfordshire, College Lane, Hatfield Hertfordshire AL10 9AB.

17 Financial commitments

At 31 March 2009, the group had annual commitments under non-cancellable operating leases as follows:

	2009 £	**2008** £
Land and buildings		
Between one and five years	295,000	295,000

18 Related Party Disclosures

The company has relied upon the exemption conferred by paragraph 3c of FRS 8 and accordingly related party transactions with fellow group company are not disclosed.