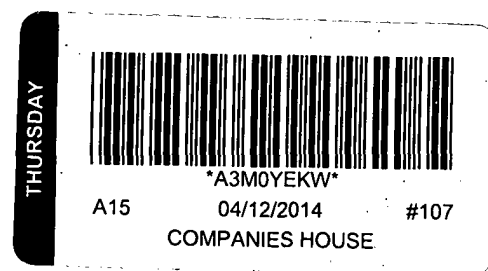


COMPANY REGISTRATION NUMBER 01130761

CAPITAL TRAINING GROUP LIMITED
FINANCIAL STATEMENTS
FOR
31 MARCH 2014



COVENEY NICHOLLS
Chartered Accountants & Statutory Auditor
The Old Wheel House
31/37 Church Street
Reigate
Surrey RH2 0AD

CAPITAL TRAINING GROUP LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

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CAPITAL TRAINING GROUP LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2014

The directors present their report and the financial statements of the company for the year ended 31 March 2014.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the supply of training relating to government schemes.

DIRECTORS

The directors who served the company during the year were as follows:

P J Dunckley
D L Galway

The directors have no interests in the company's shares. Their interests in the group company are disclosed in the group accounts.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

AUDITOR

Coveney Nicholls are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

CAPITAL TRAINING GROUP LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

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

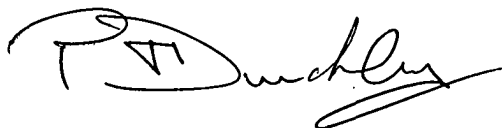
- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:
The Old Wheel House
31-37 Church Street
Reigate
Surrey
RH2 0AD

Signed on behalf of the directors

A handwritten signature in black ink, appearing to read 'P Dunckley', with a stylized flourish at the end.

Mr P Dunckley

Director

Approved by the directors on ~~4.11.14~~

CAPITAL TRAINING GROUP LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
CAPITAL TRAINING GROUP LIMITED

YEAR ENDED 31 MARCH 2014

We have audited the financial statements of Capital Training Group Limited for the year ended 31 March 2014. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

CAPITAL TRAINING GROUP LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
CAPITAL TRAINING GROUP LIMITED *(continued)*

YEAR ENDED 31 MARCH 2014


MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.

The Old Wheel House
31/37 Church Street
Reigate
Surrey RH2 0AD

.....


J N KELLY (Senior Statutory
Auditor)
For and on behalf of
COVENEY NICHOLLS
Chartered Accountants
& Statutory Auditor

CAPITAL TRAINING GROUP LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2014

	Note	2014 £	2013 £
TURNOVER		2,739,661	2,676,774
Cost of sales		1,867,200	1,520,149
GROSS PROFIT		872,461	1,156,625
Administrative expenses		699,146	954,615
OPERATING PROFIT	2	173,315	202,010
Interest receivable		—	60
Interest payable and similar charges		—	(4,217)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		173,315	197,853
Tax on profit on ordinary activities		38,624	(5,746)
PROFIT FOR THE FINANCIAL YEAR		<u>134,691</u>	<u>203,599</u>

The notes on pages 7 to 11 form part of these financial statements.

CAPITAL TRAINING GROUP LIMITED

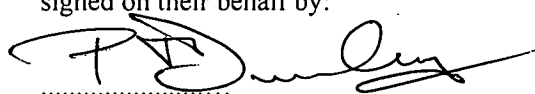
BALANCE SHEET

31 MARCH 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Tangible assets	5	—	—
CURRENT ASSETS			
Debtors	6	1,384,238	1,020,460
Cash at bank and in hand		18,854	779
		<u>1,403,092</u>	<u>1,021,239</u>
CREDITORS: Amounts falling due within one year	7	<u>573,933</u>	<u>326,771</u>
NET CURRENT ASSETS		<u>829,159</u>	<u>694,468</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>829,159</u>	<u>694,468</u>
CAPITAL AND RESERVES			
Called-up equity share capital	9	9,232	9,232
Other reserves	10	5,768	5,768
Profit and loss account	10	814,159	679,468
SHAREHOLDERS' FUNDS		<u>829,159</u>	<u>694,468</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the directors and authorised for issue on 4-11-14, and are signed on their behalf by:



P J DUNCKLEY

Company Registration Number: 01130761

CAPITAL TRAINING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings - straight line between 16 months and 4 years

Equipment - straight line between 16 months and 4 years

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

CAPITAL TRAINING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2014	2013
	£	£
Depreciation of owned fixed assets	—	45,869
Auditor's fees	<u>4,570</u>	<u>4,480</u>

3. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Aggregate remuneration	<u>41,855</u>	<u>44,105</u>

4. DIVIDENDS

Equity dividends

	2014	2013
	£	£
Paid during the year		
Equity dividends on ordinary shares	<u>—</u>	<u>100,000</u>

5. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Equipment £	Total £
COST			
At 1 April 2013 and 31 March 2014	<u>48,263</u>	<u>103,566</u>	<u>151,829</u>
DEPRECIATION			
At 1 April 2013 and 31 March 2014	<u>48,263</u>	<u>103,566</u>	<u>151,829</u>
NET BOOK VALUE			
At 31 March 2014	<u>—</u>	<u>—</u>	<u>—</u>
At 31 March 2013	<u>—</u>	<u>—</u>	<u>—</u>

CAPITAL TRAINING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

6. DEBTORS

	2014	2013
	£	£
Trade debtors	421,431	333,439
Amounts owed by group undertakings	847,246	617,143
Corporation tax repayable	25,259	25,259
Prepayments and accrued income	90,302	44,619
	<u>1,384,238</u>	<u>1,020,460</u>

The amounts due from group undertakings are all due from Capital Engineering Group Holdings Limited.

7. CREDITORS: Amounts falling due within one year

	2014		2013
	£	£	£
Overdrafts		—	17,184
Trade creditors	255,989		140,582
Amounts owed to undertakings in which the company has a participating interest	44,296		3,262
Other creditors including taxation and social security:			
PAYE and social security	11,895		9,017
VAT	69,012		69,528
Accruals and deferred income	<u>192,741</u>		<u>87,198</u>
	273,648		165,743
	<u>573,933</u>		<u>326,771</u>

CAPITAL TRAINING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

8. RELATED PARTY TRANSACTIONS

The company is ultimately controlled by Mr D Galway, a director.

The company transacts with Hands On Skills Training Limited in the course of its trade. Hands On Skills Training Limited (HOST) is associated with the company by virtue of a significant shareholding that the group holds in HOST. At the year end, a balance of £22,017 (2013 - £nil) was included in trade creditors at the year end.

Hands On Skills Training Limited also incurs various expenditure on behalf of Capital Training Group Limited. At the year end a balance of £44,296 (2013 - £3,262) was included in amounts due to associated undertakings.

The company has previously transacted with Training For You Limited, a company in which the group has a significant shareholding. During the year, a balance of £nil (2013 - £123,965) was written off. At the year end, a balance of £nil (2013 - £nil) was included in amounts due to associated undertakings.

The company is a wholly owned subsidiary of Capital Engineering Group Holdings (2013) Limited and the results of the company are included in the consolidated financial statements of the ultimate parent undertaking, Capital Engineering Group Holdings (2013) Limited and accordingly no related party transactions with group companies are required to be disclosed under the Financial Reporting Standards for Smaller Entities (effective January 2008).

9. SHARE CAPITAL

Authorised share capital:

	2014	2013
	£	£
9,232 Ordinary shares of £1 each	<u>9,232</u>	<u>9,232</u>

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>9,232</u>	<u>9,232</u>	<u>9,232</u>	<u>9,232</u>

CAPITAL TRAINING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2014

10. RESERVES

	Capital redemption reserve £	Profit and loss account £
Balance brought forward	5,768	679,468
Profit for the year	—	134,691
Balance carried forward	<u>5,768</u>	<u>814,159</u>

11. ULTIMATE PARENT COMPANY

The ultimate parent company is Capital Engineering Group Holdings (2013) Limited, a company incorporated in the UK under registration number 08584840. Copies of the group accounts are available from Companies House, Cardiff.

CAPITAL TRAINING GROUP LIMITED
MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2014

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 3 to 4.**

CAPITAL TRAINING GROUP LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2014

	2014 £	2013 £
TURNOVER	2,739,661	2,676,774
COST OF SALES		
Employment costs and support services	1,867,200	1,520,149
GROSS PROFIT	872,461	1,156,625
OVERHEADS		
Administrative expenses	699,146	954,615
OPERATING PROFIT	173,315	202,010
Loan interest receivable	—	60
	173,315	202,070
Interest on other loans	—	(4,217)
PROFIT ON ORDINARY ACTIVITIES	<u>173,315</u>	<u>197,853</u>

CAPITAL TRAINING GROUP LIMITED
NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2014

	2014		2013
	£	£	£
ADMINISTRATIVE EXPENSES			
Personnel costs			
Wages and salaries		457,266	502,042
Establishment expenses			
Rent	115,796		126,098
Light and heat	15,121		4,463
Insurance	7,957		6,194
Service charges payable	5,209		4,276
Other establishment expenses	6,098		2,730
		150,181	143,761
General expenses			
Motor expenses	9,179		9,688
Travel and subsistence	5,042		9,740
Telephone	10,410		12,625
Computer expenses	15,083		22,456
Printing, stationery and postage	26,210		38,219
Staff training and welfare	4,895		6,362
Sundry expenses	2,473		6,464
Advertising	7,679		11,322
Entertaining	93		61
Management charges payable	2,592		—
Legal and professional fees	2,442		11,415
Auditors remuneration	5,115		4,546
Depreciation of fixtures and fittings	—		24,131
Depreciation of office equipment	—		21,738
		91,213	178,767
Financial costs			
Bad debts written off	—		840
Irrecoverable input vat	—		5,193
Provision against associate balance	—		123,265
Bank charges	486		747
		486	130,045
		699,146	954,615
INTEREST RECEIVABLE			
Loan interest receivable		—	60