

COMPANY REGISTRATION NUMBER 1552102

**Wilson Learning Europa Limited**  
**Financial Statements**  
**31 March 2008**



**Wilson Learning Europa Limited**  
**Financial Statements**  
**Year Ended 31 March 2008**

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# **Wilson Learning Europa Limited**

## **Officers and Professional Advisers**

### **The Board of Directors**

M J Poulson  
S Mori

### **Company Secretary**

S J North

### **Registered Office**

23 London End  
Beaconsfield  
Bucks  
HP9 2HN

### **Auditor**

Fish Partnership LLP  
Chartered Accountants  
& Registered Auditors  
The Mill House  
Boundary Road  
Loudwater  
High Wycombe  
Bucks  
HP10 9QN

# **Wilson Learning Europa Limited**

## **The Directors' Report**

### **Year Ended 31 March 2008**

The directors present their report and the financial statements of the company for the year ended 31 March 2008

#### **Principal Activities and Business Review**

The principal activity of the company continued to be the provision of training and development consulting, materials and courses

This financial year has been a difficult year of trading. The net income level dropped significantly below our expectations due to further delays in the starting of several large projects, and the slow growth of our distribution channel in many new territories of Europe

#### **Future Developments**

We have been able to develop further a much wider client audience, both locally and across Europe, which will leave us in a good position for further growth. The sizeable nature of the client orders has meant a continuation of overall reduced margin, which we must improve in the next financial period. We also plan to maximise on our significant efforts to introduce new distributors in Europe with increased revenues over the coming years

#### **Results and Dividends**

The loss for the year amounted to £372,250. The directors have not recommended a dividend

#### **Directors**

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

M J Poulson

S Mori

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company

#### **Policy on the Payment of Creditors**

It is company's policy to pay suppliers when they fall due for payment in accordance with agreed terms of business

For the year ended 31 March 2008, the average payment period for trade creditors was 69 days (2007: 65 days)

#### **Directors' Responsibilities**

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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

select suitable accounting policies and then apply them consistently,

make judgements and estimates that are reasonable and prudent,

# **Wilson Learning Europa Limited**

## **The Directors' Report** *(continued)*

### **Year Ended 31 March 2008**

state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,

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 proper accounting records that 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 1985. 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.

In so far as the directors are aware

there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **Auditor**

A resolution to re-appoint Fish Partnership LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the directors



M J Poulson

Director

Approved by the directors on 18 April 2008

# **Wilson Learning Europa Limited**

## **Independent Auditor's Report to the Shareholders of Wilson Learning Europa Limited**

**Year Ended 31 March 2008**

We have audited the financial statements of Wilson Learning Europa Limited for the year ended 31 March 2008, which have been prepared on the basis of the accounting policies set out on pages 8 to 9

This report is made solely to the company's shareholders, 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 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom 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 the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

## **Wilson Learning Europa Limited**

### **Independent Auditor's Report to the Shareholders of Wilson Learning Europa Limited *(continued)***

**Year Ended 31 March 2008**

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 company's affairs as at 31 March 2008 and of its loss 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

  
RISH PARTNERSHIP LLP  
Chartered Accountants  
& Registered Auditors

The Mill House  
Boundary Road  
Loudwater  
High Wycombe  
Bucks  
HP10 9QN

29 April 2008

# Wilson Learning Europa Limited

## Profit and Loss Account

Year Ended 31 March 2008

	Note	2008 £	2007 £
Turnover	2	2,056,510	2,304,874
Cost of sales		1,049,838	1,098,130
<b>Gross Profit</b>		<u>1,006,672</u>	<u>1,206,744</u>
Administrative expenses		1,390,821	1,419,960
Other operating income	3	(11,878)	(12,498)
<b>Operating Loss</b>	4	<u>(372,271)</u>	<u>(200,718)</u>
Interest receivable and similar income		2,467	3,238
Interest payable and similar charges	8	(2,446)	(125)
<b>Loss on Ordinary Activities Before Taxation</b>		<u>(372,250)</u>	<u>(197,605)</u>
Tax on loss on ordinary activities	9	—	—
<b>Loss for the Financial Year</b>		<u>(372,250)</u>	<u>(197,605)</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 8 to 15 form part of these financial statements



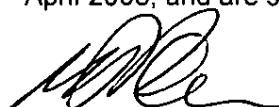
# Wilson Learning Europa Limited

## Balance Sheet

31 March 2008

	Note	2008 £	£	2007 £	£
<b>Fixed Assets</b>					
Tangible assets	11		13,165		12,909
Investments	12		—		—
			<u>13,165</u>		<u>12,909</u>
<b>Current Assets</b>					
Stocks	13	24,119		31,160	
Debtors	14	691,576		701,805	
Cash at bank and in hand		<u>29,585</u>		<u>32,745</u>	
		745,280		765,710	
<b>Creditors: Amounts Falling due Within One Year</b>	15	<u>927,989</u>		<u>575,913</u>	
<b>Net Current (Liabilities)/Assets</b>			(182,709)		189,797
<b>Total Assets Less Current Liabilities</b>			<u>(169,544)</u>		<u>202,706</u>
<b>Capital and Reserves</b>					
Called-up equity share capital	18		2,850,000		2,850,000
Profit and loss account	19		(3,019,544)		(2,647,294)
<b>(Deficit)/Shareholders' Funds</b>	20		<u>(169,544)</u>		<u>202,706</u>

These financial statements were approved by the directors and authorised for issue on 18 April 2008, and are signed on their behalf by



M J Poulson  
Director

The notes on pages 8 to 15 form part of these financial statements

# **Wilson Learning Europa Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2008**

### **1. Accounting Policies**

#### **1.1 Basis of Accounting**

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

#### **1.2 Cash Flow Statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

#### **1.3 Turnover**

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

#### **1.4 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            -    33% Straight Line

#### **1.5 Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

#### **1.6 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

#### **1.7 Pension Costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

# **Wilson Learning Europa Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2008**

### **1 Accounting Policies** *(continued)*

#### **1.8 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 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

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

#### **1.9 Foreign Currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

#### **1.10 Investments**

Fixed asset investments are stated at cost less provision for diminution in value

#### **1.11 Going Concern**

The financial statements have been prepared on a going concern basis. The parent company, Wilson Learning Worldwide Inc, has confirmed that it will continue to provide financial support to the company for at least twelve months from the date of approval of these financial statements

# Wilson Learning Europa Limited

## Notes to the Financial Statements

Year Ended 31 March 2008

### 2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

#### Geographical market

	2008 £	2007 £
Sales - United Kingdom	748,497	634,293
Sales - Europe	1,027,895	1,542,610
Sales - Rest of World	280,118	127,971
	<u>2,056,510</u>	<u>2,304,874</u>

#### Class of business

	2008 £	2007 £
Sales	1,936,148	2,211,499
Royalties	120,362	93,375
	<u>2,056,510</u>	<u>2,304,874</u>

### 3. Other Operating Income

	2008 £	2007 £
Rent receivable	<u>11,878</u>	<u>12,498</u>

### 4. Operating Loss

Operating loss is stated after charging/(crediting)

	2008 £	2007 £
Depreciation of owned fixed assets	9,451	9,191
Operating lease costs		
Other	95,684	94,116
Net (profit)/loss on foreign currency translation	(646)	21,001
Auditor's remuneration - audit of the financial statements	8,500	8,500
Auditor's remuneration - other fees	<u>3,710</u>	<u>4,813</u>

# Wilson Learning Europa Limited

## Notes to the Financial Statements

### Year Ended 31 March 2008

	2008 £	2007 £
Auditor's remuneration - audit of the financial statements	<u>8,500</u>	<u>8,500</u>
Auditor's remuneration - other fees		
- Taxation services	995	800
- Bookkeeping services	1,200	2,240
- Payroll services	<u>1,515</u>	<u>1,773</u>
	<u>3,710</u>	<u>4,813</u>

#### 5. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to

	2008 No	2007 No
Number of sales and distribution staff	4	4
Number of administrative staff	<u>11</u>	<u>12</u>
	<u>15</u>	<u>16</u>

The aggregate payroll costs of the above were

	2008 £	2007 £
Wages and salaries	892,296	808,450
Social security costs	78,715	85,717
Other pension costs	<u>29,318</u>	<u>29,963</u>
	<u>1,000,329</u>	<u>924,130</u>

#### 6. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were

	2008 £	2007 £
Emoluments receivable	99,014	115,566
Value of company pension contributions to money purchase schemes	<u>5,198</u>	<u>4,621</u>
	<u>104,212</u>	<u>120,187</u>

# Wilson Learning Europa Limited

## Notes to the Financial Statements

Year Ended 31 March 2008

### 6. Directors' Emoluments *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows

	2008	2007
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

### 7. Pension

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £29,319 (2007 - £29,963)

### 8. Interest Payable and Similar Charges

	2008	2007
	£	£
Interest payable on bank borrowing	96	125
Other similar charges payable	<u>2,350</u>	<u>-</u>
	<u>2,446</u>	<u>125</u>

### 9. Taxation on Ordinary Activities

#### Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2007 - 30%)

	2008	2007
	£	£
Loss on ordinary activities before taxation	<u>(372,250)</u>	<u>(197,605)</u>
Loss on ordinary activities by rate of tax	(111,675)	(59,282)
Expenses not deductible for tax purposes	2,547	2,884
Capital allowances for year in excess of depreciation	(1,928)	(1,652)
Tax losses to carry forward	<u>111,056</u>	<u>58,050</u>
Total current tax	<u>-</u>	<u>-</u>

### 10. Factors that may affect future tax charges

Since the Company has made trading losses, no charge to current taxation arises this year. As at 31 March 2008 the company had tax losses carried forward of approximately £2,538,263 (2007 £2,168,076), subject to agreement by the Inspector of Taxes. A deferred tax asset has not been recognised in respect of these losses on the grounds that there is insufficient evidence at the current time that the asset would be recoverable in the foreseeable future.

# Wilson Learning Europa Limited

## Notes to the Financial Statements

Year Ended 31 March 2008

### 11 Tangible Fixed Assets

	Fixtures & Fittings £
<b>Cost</b>	
At 1 April 2007	275,106
Additions	9,707
<b>At 31 March 2008</b>	<u>284,813</u>
<b>Depreciation</b>	
At 1 April 2007	262,197
Charge for the year	9,451
<b>At 31 March 2008</b>	<u>271,648</u>
<b>Net Book Value</b>	
<b>At 31 March 2008</b>	<u>13,165</u>
At 31 March 2007	<u>12,909</u>

### 12. Investments

#### Subsidiary Undertakings Shares

	£
<b>Cost</b>	
At 1 April 2007 and 31 March 2008	<u>15,132</u>
<b>Amounts Written Off</b>	
At 1 April 2007 and 31 March 2008	<u>15,132</u>
<b>Net Book Value</b>	
<b>At 31 March 2008</b>	<u>-</u>
At 31 March 2007	<u>-</u>

	Country of incorporation	Class of shares	Proportion of shares held	Nature of business
<b>Subsidiary undertakings</b>				
Wilson Learning GmbH	Germany	Ordinary shares	100%	Training
		<b>2008</b>		<b>2007</b>
		£		£
<b>Capital and reserves</b>				
Wilson Learning GmbH		(78,883)		(78,883)
<b>Profit for the year</b>				
Wilson Learning GmbH		-		-

# Wilson Learning Europa Limited

## Notes to the Financial Statements

Year Ended 31 March 2008

### 13. Stocks

	2008 £	2007 £
Finished goods	<u>24,119</u>	<u>31,160</u>

### 14. Debtors

	2008 £	2007 £
Trade debtors	554,312	529,736
Amounts owed by group undertakings	87,301	88,331
Other debtors	4,931	44,884
Prepayments and accrued income	45,032	38,854
	<u>691,576</u>	<u>701,805</u>

### 15. Creditors: Amounts Falling due Within One Year

	2008 £	2007 £
Overdrafts	41,052	-
Trade creditors	221,409	224,533
Amounts owed to group undertakings	465,208	272,797
Other creditors including taxation and social security		
Other taxation and social security	52,415	21,669
Other creditors	8,030	9,914
	<u>788,114</u>	<u>528,913</u>
Accruals and deferred income	139,875	47,000
	<u>927,989</u>	<u>575,913</u>

### 16. Commitments under Operating Leases

At 31 March 2008 the company had annual commitments under non-cancellable operating leases as set out below

	2008		2007	
	Land & Buildings £	Other Items £	Land & Buildings £	Other Items £
Operating leases which expire				
Within 1 year	-	-	-	2,981
Within 2 to 5 years	<u>74,500</u>	<u>25,898</u>	<u>74,500</u>	<u>19,561</u>
	<u>74,500</u>	<u>25,898</u>	<u>74,500</u>	<u>22,542</u>



# Wilson Learning Europa Limited

## Notes to the Financial Statements

Year Ended 31 March 2008

### 17. Related Party Transactions

During the year, the company acquired services from Mrs A Poulson, the wife of Mr M Poulson, a director, for £20,000

Under the provisions of Financial Reporting Standard 8, the company is exempt from the requirement to disclose details of related party transactions with group companies

### 18 Share Capital

#### Authorised share capital

	2008 £	2007 £
5,000,000 Ordinary shares of £1 each	<u>5,000,000</u>	<u>5,000,000</u>

#### Allotted, called up and fully paid

	2008 No	£	2007 No	£
Ordinary shares of £1 each	<u>2,850,000</u>	<u>2,850,000</u>	<u>2,850,000</u>	<u>2,850,000</u>

### 19. Profit and Loss Account

	2008 £	2007 £
Balance brought forward	(2,647,294)	(2,449,689)
Loss for the financial year	<u>(372,250)</u>	<u>(197,605)</u>
Balance carried forward	<u>(3,019,544)</u>	<u>(2,647,294)</u>

### 20. Reconciliation of Movements in Shareholders' Funds

	2008 £	2007 £
Loss for the financial year	(372,250)	(197,605)
Opening shareholders' funds	<u>202,706</u>	<u>400,311</u>
Closing shareholders' (deficit)/funds	<u>(169,544)</u>	<u>202,706</u>

### 21. Ultimate Parent Company

The immediate and the ultimate parent company of Wilson Learning Europa Limited is Wilson Learning Worldwide Inc, which is incorporated in Japan

The company is a wholly owned subsidiary of Wilson Learning Worldwide Inc. The smallest and the largest group in which Wilson Learning Europa Limited is consolidated is that headed by Wilson Learning Worldwide Inc. The consolidated accounts of this group are available to the public and may be obtained from Wilson Learning Worldwide Inc, 25F Harumi Island Triton Square, Office Tower X, 1-8-10 Harumi, Chuo-ku, Tokyo, Japan 102-6026