

REGISTERED NUMBER: 02631340 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001
FOR
ACTION FOR EMPLOYMENT LIMITED**



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ACTION FOR EMPLOYMENT LIMITED

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FOR THE YEAR ENDED 31 MARCH 2001**

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ACTION FOR EMPLOYMENT LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2001**

DIRECTORS:	E L Harrison M Lovell N M Watson S J Galbraith
SECRETARY:	N M Watson
REGISTERED OFFICE:	Bessemer Road Sheffield S9 3XP
REGISTERED NUMBER:	02631340 (England and Wales)
AUDITORS:	Rees Wallis Chartered Certified Accountants Registered Auditors Cathedral Chambers 18-24 Campo Lane Sheffield S1 2EF
BANKERS:	National Westminster Bank Plc 244 Fulwood Road Broomhill Sheffield Yorkshire S10 3BB

ACTION FOR EMPLOYMENT LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2001

The directors present their report with the financial statements of the company for the year ended 31 March 2001.

PRINCIPAL ACTIVITIES

Action For Employment Limited (A4E) continues to focus on developing its business as an outsourced supplier of services to both commercial and public sector businesses. The majority of A4E's operational activities during the year under review have concentrated on the employment, welfare, benefit and training markets.

BUSINESS OVERVIEW AND DEVELOPMENT

A review of A4E's business activities, objectives and future expectations is contained in the Chairman's Report, the Group Chief Executive Officer's Report and the Review of Business for the year. A4E has continued to develop new business opportunities for the next few years, consolidating and developing its position as an innovative delivery and strategic partner for government services.

The results for the year and financial position of the company are as shown in the annexed financial statements.

The growth in business this year has been healthy. There has been significant continued investment in both the infrastructure of the business and the people who will deliver, lead and pioneer A4E's services in its existing and future markets. This investment strategy will continue through next year.

There is a huge range of potential opportunities – both within our existing markets and new ones – which will enable A4E to continue its profitable growth for the foreseeable future.

EMPLOYEE INVOLVEMENT

A4E's mission is to 'Improve People's Lives'. This applies equally to the people to whom we deliver services, those on whose behalf we deliver those services and the tremendous people within A4E who take those services to market.

The directors are committed to achieving the highest standards in the workplace. There will be continued development of our policies and procedures to ensure A4E offers a superb work environment for its employees. As a growing business, communication continues to be a top priority ensuring everyone in the business is well informed. Mechanisms will be developed moving into next year to continue to develop involvement and consultation across the entire business.

DISABLED PEOPLE

The company's policy is to ensure that every individual applying to A4E (whether externally or internally) is judged solely on their aptitude and ability in relation to their prospective role. A4E holds the 'Positive about Disabled People' award and the 'Investor in People' standard and is proactive in supporting staff with specific training.

DIRECTORS

The names of the directors who held office during the year and their interests in the shares of the company are shown below:-

	25p ordinary	31 March 2001 & 31 March 2000		
		25p ordinary 'A'	25p ordinary 'B'	25p ordinary 'C'
E L Harrison	200,000	400	-	-
M Lovell	-	-	244	-
N M Watson	-	-	-	176
S J Galbraith	-	-	156	-

DIVIDENDS

Interim dividends paid during the year are set out in note 7 to the financial statements.

The directors do not recommend the payment of any further dividends for the year ended 31 March 2001.

CHARITABLE DONATIONS

During the course of delivering its services A4E works with thousands of charitable, voluntary and community sector organisations. Formal donations for charitable purposes during the course of the year amounted to £4,895.

ACTION FOR EMPLOYMENT LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2001

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 those financial statements, the directors are required to

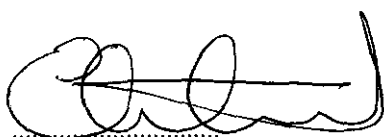
- select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

AUDITORS

The auditors, Rees Wallis, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'E L Harrison', written over a dotted line.

E L Harrison - DIRECTOR

Dated: 10 December 2001

ACTION FOR EMPLOYMENT LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF ACTION FOR EMPLOYMENT LIMITED

We have audited the financial statements of Action For Employment Limited for the year ended 31 March 2001 on pages five to eighteen. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page three the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Report of the Directors is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read the Report of the Directors 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 United Kingdom Auditing Standards 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.

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 of the state of the company's affairs as at 31 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Rees Wallis
Chartered Certified Accountants
Registered Auditors
Cathedral Chambers
18-24 Campo Lane
Sheffield
S1 2EF

Dated: 11 December 2001

ACTION FOR EMPLOYMENT LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2001**

		<u>2001</u>	<u>2000</u>
	Notes	£	£
TURNOVER	2	17,032,462	13,683,967
Cost of sales		<u>2,395,181</u>	<u>2,081,599</u>
GROSS PROFIT		14,637,281	11,602,368
Administrative expenses		<u>13,077,736</u>	<u>10,333,052</u>
		1,559,545	1,269,316
Other operating income		<u>70,199</u>	<u>34,532</u>
OPERATING PROFIT	4	1,629,744	1,303,848
Interest receivable and similar income		<u>68,281</u>	<u>118,078</u>
		1,698,025	1,421,926
Interest payable and similar charges	5	<u>6,732</u>	<u>864</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,691,293	1,421,062
Tax on profit on ordinary activities	6	<u>580,703</u>	<u>421,702</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		1,110,590	999,360
Dividends (including non-equity shares)	7	<u>1,138,946</u>	<u>575,000</u>
		(28,356)	424,360
Retained profit brought forward		<u>1,588,604</u>	<u>1,213,744</u>
		1,560,248	1,638,104
Bonus share issue		<u>-</u>	<u>(49,500)</u>
RETAINED PROFIT CARRIED FORWARD		<u>£1,560,248</u>	<u>£1,588,604</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

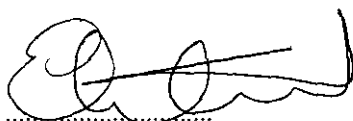
The notes form part of these financial statements

ACTION FOR EMPLOYMENT LIMITED

**BALANCE SHEET
31 MARCH 2001**

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	8		1,879,280		1,072,251
Investments	9		<u>100</u>		<u>-</u>
			1,879,380		1,072,251
CURRENT ASSETS:					
Debtors	10	2,505,357		1,875,287	
Cash at bank and in hand		<u>728,637</u>		<u>2,034,002</u>	
		3,233,994		3,909,289	
CREDITORS: Amounts falling due within one year	11	<u>2,347,924</u>		<u>2,004,309</u>	
NET CURRENT ASSETS:			<u>886,070</u>		<u>1,904,980</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			2,765,450		2,977,231
CREDITORS: Amounts falling due after more than one year	12		(22,616)		(25,214)
PROVISIONS FOR LIABILITIES AND CHARGES:	14		(18,000)		-
ACCRUALS AND DEFERRED INCOME:	15		<u>(1,113,686)</u>		<u>(1,312,513)</u>
			<u>£1,611,148</u>		<u>£1,639,504</u>
CAPITAL AND RESERVES:					
Called up share capital	16		50,400		50,400
Capital redemption reserve	17		500		500
Profit and loss account			<u>1,560,248</u>		<u>1,588,604</u>
SHAREHOLDERS' FUNDS (including non-equity interests):	18		<u>£1,611,148</u>		<u>£1,639,504</u>

ON BEHALF OF THE BOARD:



E L Harrison - DIRECTOR

Approved by the Board on 10 December 2001

The notes form part of these financial statements

ACTION FOR EMPLOYMENT LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2001**

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		1,384,956		260,434
Returns on investments and servicing of finance	2		(91,397)		117,214
Taxation			(420,159)		(459,332)
Capital expenditure	2		(1,139,326)		(597,289)
Acquisitions and disposals	2		(100)		-
Equity dividends paid			<u>(986,000)</u>		<u>(575,000)</u>
			(1,252,026)		(1,253,973)
Financing	2		<u>(53,339)</u>		<u>(9,516)</u>
Decrease in cash in the period			<u>£(1,305,365)</u>		<u>£(1,263,489)</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Decrease in cash in the period			(1,305,365)		(1,263,489)
Cash outflow from decrease in debt and lease financing			<u>51,943</u>		<u>9,915</u>
Change in net funds resulting from cash flows			(1,253,422)		(1,253,574)
New finance leases			<u>(139,378)</u>		<u>(58,174)</u>
Movement in net funds in the period			(1,392,800)		(1,311,748)
Net funds at 1 April			<u>1,980,416</u>		<u>3,292,164</u>
Net funds at 31 March			<u>£587,616</u>		<u>£1,980,416</u>

The notes form part of these financial statements

ACTION FOR EMPLOYMENT LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2001**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating profit	1,629,744	1,303,848
Depreciation charges	452,428	225,421
Loss on sale of fixed assets	19,246	1,983
Profit on sale of fixed assets	-	(1,355)
Government grants	(70,199)	(34,532)
Increase in debtors	(630,067)	(461,557)
Decrease in creditors	(16,196)	(773,374)
Net cash inflow from operating activities	<u>1,384,956</u>	<u>260,434</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2001 £	2000 £
Returns on investments and servicing of finance		
Interest received	68,281	118,078
Interest element of hire purchase payments	(6,732)	(864)
Dividends paid on non-equity shares	(152,946)	-
Net cash (outflow)/inflow for returns on investments and servicing of finance	<u>(91,397)</u>	<u>117,214</u>
Capital expenditure		
Purchase of tangible fixed assets	(1,161,677)	(779,780)
Sale of tangible fixed assets	22,351	39,792
Receipts of government grants for tangible fixed assets	-	142,699
Net cash outflow for capital expenditure	<u>(1,139,326)</u>	<u>(597,289)</u>
Acquisitions and disposals		
Purchase of subsidiary undertaking	(100)	-
Net cash outflow for acquisitions and disposals	<u>(100)</u>	<u>-</u>

The notes form part of these financial statements

ACTION FOR EMPLOYMENT LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT - continued

	2001 £	2000 £
Financing		
Hire purchase repayments in year	(51,943)	(9,916)
Amount withdrawn by directors	(1,396)	-
Issue of share capital	-	400
Net cash outflow from financing	<u>(53,339)</u>	<u>(9,516)</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.00 £	Cash flow £	Other non-cash changes £	At 31.3.01 £
Net cash:				
Cash at bank and in hand	<u>2,034,002</u>	<u>(1,305,365)</u>		<u>728,637</u>
	<u>2,034,002</u>	<u>(1,305,365)</u>		<u>728,637</u>
Debt:				
Hire purchase	<u>(53,586)</u>	<u>51,943</u>	<u>(139,378)</u>	<u>(141,021)</u>
	<u>(53,586)</u>	<u>51,943</u>	<u>(139,378)</u>	<u>(141,021)</u>
Total	<u>1,980,416</u>	<u>(1,253,422)</u>	<u>(139,378)</u>	<u>587,616</u>
Analysed in Balance Sheet				
Cash at bank and in hand	2,034,002			728,637
Hire purchase within one year	(28,372)			(118,405)
after one year	<u>(25,214)</u>			<u>(22,616)</u>
	<u>1,980,416</u>			<u>587,616</u>

The notes form part of these financial statements

ACTION FOR EMPLOYMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover consists of the invoiced value of work and training programmes and trainee placements, excluding V.A.T. where applicable, less the value attributable to subsequent periods, which is calculated according to the proportion of work committed to, but not completed, on such activities at the balance sheet date and which is disclosed as deferred income.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold land and buildings	- 2% on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles and plant	- 25% on reducing balance
Computer equipment	- 33% on cost

Deferred taxation

Deferred tax is provided in full in respect of the tax effect of all timing differences and other tax balances, as required under the provisions of FRS19.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Government grants

Grants related to expenditure on tangible assets are credited to profit at the same rate as the depreciation on the assets to which the grants relate. The amounts shown in the balance sheet in respect of grants consist of the total grants receivable to date, less the amounts so far credited to profit. Grants of a revenue nature are credited to income in the period to which they relate.

Repairs and renewals

Expenditure on repairs and renewals is written off in the period during which the expense is incurred. No provision is made for future costs of repairs and renewals.

2. TURNOVER

The turnover, profit after taxation and net assets are attributable to the principal activities of the company as described on page 2. The company operates in the United Kingdom and the whole of its turnover is to the United Kingdom market.

ACTION FOR EMPLOYMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

3. STAFF COSTS

	2001	2000
	£	£
Wages and salaries	7,898,777	6,539,478
Social security costs	712,924	568,851
Other pension costs	76,634	52,799
	<u>8,688,335</u>	<u>7,161,128</u>

The average monthly number of employees during the year was as follows:

	2001	2000
Management	82	43
Administration	<u>414</u>	<u>366</u>
	<u>496</u>	<u>409</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2001	2000
	£	£
Hire of plant and machinery	69,061	36,295
Depreciation - owned assets	423,055	221,353
Depreciation - assets on hire purchase contracts	29,373	4,068
Loss on disposal of fixed assets	19,246	628
Auditors' remuneration	16,000	10,750
Operating leases - land and buildings	728,698	601,285
Release of government grant	<u>(70,199)</u>	<u>(34,532)</u>
Directors' emoluments	617,730	1,136,516
Directors' pension contributions to money purchase schemes	32,397	32,640
Compensation to director for loss of office	<u>-</u>	<u>115,316</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>5</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2001	2000
	£	£
Emoluments etc	377,710	689,866
Pension contributions to money purchase schemes	<u>24,000</u>	<u>24,000</u>

ACTION FOR EMPLOYMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2001	2000
	£	£
Hire purchase interest	<u>6,732</u>	<u>864</u>

6. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	2001	2000
	£	£
UK corporation tax	565,000	422,456
Over provision in respect of prior years	(2,297)	(754)
Deferred taxation	<u>18,000</u>	<u>-</u>
	<u>580,703</u>	<u>421,702</u>

7. DIVIDENDS

	2001	2000
	£	£
Ordinary dividends		
Interim dividends paid on equity shares:		
£2.00 per 25p ordinary share on 30 September 2000	400,000	-
£1.00 per 25p ordinary share on 5 October 2000	200,000	-
£1.18 per 25p ordinary share on 23 January 2001	236,000	-
£0.75 per 25p ordinary share on 30 January 2001	150,000	-
£650 per £1 ordinary share on 1 September 1999	-	325,000
£500 per £1 ordinary share on 6 January 2000	-	250,000
Interim dividends paid on non-equity shares:		
£86.24 per 25p ordinary "B" redeemable share on 31 July 2000	34,496	-
£73.11 per 25p ordinary "C" redeemable share on 31 July 2000	29,244	-
£24.37 per 25p ordinary "D" redeemable share on 31 July 2000	4,387	-
£107.37 per 25p ordinary "B" redeemable share on 30 October 2000	42,948	-
£91.025 per 25p ordinary "C" redeemable share on 30 October 2000	36,410	-
£30.34 per 25p ordinary "D" redeemable share on 30 October 2000	<u>5,461</u>	<u>-</u>
	<u>1,138,946</u>	<u>575,000</u>

The holder of 220 ordinary "D" shares of 25p waived his rights to receive dividends during the year.

ACTION FOR EMPLOYMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings	Fixtures and fittings	Motor vehicles and plant	Computer equipment	Totals
	£	£	£	£	£
COST:					
At 1 April 2000	211,905	459,304	285,355	486,050	1,442,614
Additions	37,790	299,588	438,681	524,996	1,301,055
Disposals	-	(19,373)	(57,116)	(16,081)	(92,570)
At 31 March 2001	<u>249,695</u>	<u>739,519</u>	<u>666,920</u>	<u>994,965</u>	<u>2,651,099</u>
DEPRECIATION:					
At 1 April 2000	2,786	168,001	78,902	120,675	370,364
Charge for year	5,591	104,323	106,597	235,917	452,428
Eliminated on disposals	-	(13,138)	(32,572)	(5,263)	(50,973)
At 31 March 2001	<u>8,377</u>	<u>259,186</u>	<u>152,927</u>	<u>351,329</u>	<u>771,819</u>
NET BOOK VALUE:					
At 31 March 2001	<u>241,318</u>	<u>480,333</u>	<u>513,993</u>	<u>643,636</u>	<u>1,879,280</u>
At 31 March 2000	<u>209,119</u>	<u>291,304</u>	<u>206,452</u>	<u>365,376</u>	<u>1,072,251</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles and plant
	£
COST:	
At 1 April 2000	66,505
Additions	<u>155,231</u>
At 31 March 2001	<u>221,736</u>
DEPRECIATION:	
At 1 April 2000	4,068
Charge for year	<u>29,373</u>
At 31 March 2001	<u>33,441</u>
NET BOOK VALUE:	
At 31 March 2001	<u>188,295</u>
At 31 March 2000	<u>62,437</u>

ACTION FOR EMPLOYMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

9. FIXED ASSET INVESTMENTS

During the year, the company purchased the whole of the issued share capital of the following unlisted company:

	Holding	Cost £
A4E Consulting Limited	100 ordinary shares	100

Group accounts have not been prepared due to the immateriality of the subsidiary which was incorporated on 12 March 2001, in England.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Trade debtors	2,211,647	1,749,927
Other debtors	16,523	17,525
Prepayments & accrued income	190,855	107,835
Amount owed by subsidiary undertaking	86,332	-
	<u>2,505,357</u>	<u>1,875,287</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Hire purchase contracts (see note 13)	118,405	28,372
Trade creditors	831,906	288,753
Other creditors	115,262	7,151
Other taxes & social security	515,534	346,714
Corporation tax	565,000	422,456
Accruals	201,817	910,863
	<u>2,347,924</u>	<u>2,004,309</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2001 £	2000 £
Hire purchase contracts (see note 13)	<u>22,616</u>	<u>25,214</u>

ACTION FOR EMPLOYMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2001**

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2001	2000
	£	£
Gross obligations repayable:		
Within one year	126,936	31,276
Between one and five years	<u>22,967</u>	<u>26,129</u>
	<u>149,903</u>	<u>57,405</u>
Finance charges repayable:		
Within one year	8,531	2,904
Between one and five years	<u>351</u>	<u>915</u>
	<u>8,882</u>	<u>3,819</u>
Net obligations repayable:		
Within one year	118,405	28,372
Between one and five years	<u>22,616</u>	<u>25,214</u>
	<u>141,021</u>	<u>53,586</u>

The following payments are committed to be paid within one year:

	Operating leases			
	Land and buildings		Other	
	2001	2000	2001	2000
	£	£	£	£
Expiring:				
Within one year	229,853	251,335	-	5,143
Between one and five years	<u>589,102</u>	<u>136,696</u>	<u>17,500</u>	<u>12,943</u>
	<u>818,955</u>	<u>388,031</u>	<u>17,500</u>	<u>18,086</u>

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2001	2000
	£	£
Deferred taxation	<u>18,000</u>	<u>-</u>

ACTION FOR EMPLOYMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

14. PROVISIONS FOR LIABILITIES AND CHARGES - continued

	Deferred taxation £
Transfer to profit & loss account	<u>18,000</u>
Balance at 31 March 2001	<u><u>18,000</u></u>

Deferred taxation for which provision has been made in the financial statements and the amounts for which no provision has been made, are as follows:

	Provided		Not provided	
	2001 £	2000 £	2001 £	2000 £
Capital allowances in excess of depreciation	<u>18,000</u>	<u>-</u>	<u>-</u>	<u>50,223</u>
	<u><u>18,000</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>50,223</u></u>

15. ACCRUALS AND DEFERRED INCOME

	2001 £	2000 £
Deferred government grants Brought forward	162,769	54,602
Receivable in year	-	142,699
Released to profit for the year	<u>(70,199)</u>	<u>(34,532)</u>
	92,570	162,769
Deferred income	<u>1,021,116</u>	<u>1,149,744</u>
	<u><u>1,113,686</u></u>	<u><u>1,312,513</u></u>

ACTION FOR EMPLOYMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

16. CALLED UP SHARE CAPITAL

	2001 £	2000 £
Authorised:		
9,997,600 ordinary shares of 25p each	2,499,400	2,499,400
Redeemable shares:		
400 ordinary 'A' of 25p each	100	100
400 ordinary 'B' of 25p each	100	100
400 ordinary 'C' of 25p each	100	100
400 ordinary 'D' of 25p each	100	100
400 ordinary 'E' of 25p each	100	100
400 ordinary 'F' of 25p each	100	100
	<hr/>	<hr/>
	2,500,000	2,500,000
	<hr/>	<hr/>
	2001 £	2000 £
Allotted, issued & fully paid:		
200,000 ordinary shares of 25p each	50,000	50,000
Redeemable shares:		
400 ordinary 'A' of 25p each	100	100
400 ordinary 'B' of 25p each	100	100
400 ordinary 'C' of 25p each	100	100
400 ordinary 'D' of 25p each	100	100
	<hr/>	<hr/>
	50,400	50,400
	<hr/>	<hr/>

Summary of class rights

The ordinary 'A', 'B', 'C', 'D', 'E' and 'F' redeemable shares have no voting rights and no rights to dividends other than those that may be recommended by the company in general meeting. The shares are redeemable, if fully paid, at par, at any time, at the option of the holders of 30% of the ordinary shares.

The whole of the outstanding redeemable shares will be redeemable on 1 January 2050 or as soon as possible thereafter.

In the event of a winding up of the company, the shares will not participate in the assets of the company except to the extent of par value, but repayment of these shares shall be made, in alphabetical order, in priority to the ordinary shares.

17. CAPITAL REDEMPTION RESERVE

	2001 £	2000 £
Brought forward	500	-
Purchase of own shares	-	500
	<hr/>	<hr/>
	500	500
	<hr/>	<hr/>

ACTION FOR EMPLOYMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2001**

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Profit for the financial year	1,110,590	999,360
Dividends	(1,138,946)	(575,000)
	(28,356)	424,360
New share capital subscribed	-	400
Net (reduction)/addition to shareholders' funds	(28,356)	424,760
Opening shareholders' funds	1,639,504	1,214,744
Closing shareholders' funds	1,611,148	1,639,504
Equity interests	1,610,748	1,639,104
Non-equity interests	400	400
	1,611,148	1,639,504