

PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2006

3180746

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PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

COMPANY INFORMATION

1 DIRECTORS

D W Granville, Esq
Mrs L Granville
P Hutchinson, Esq
E T Ronney, Esq

2 COMPANY SECRETARY

T Gilleland, Esq

3 COMPANY NUMBER

3180746

4 REGISTERED OFFICE

Limehouse, Mere Way
Ruddington Fields Business Park
Nottingham
NG11 6JS

5 ACCOUNTANTS

Franklin Underwood
Limehouse, Mere Way
Ruddington Fields Business Park
Nottingham
NG11 6JS

6 BANKERS

Lloyds Bank plc
16 High Street
Burton on Trent
DE14 1JA

PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

REPORT OF THE DIRECTORS

The directors present their report and the financial statements of the company for the year ended 31st December 2006

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of a non trading holding company

REVIEW OF THE BUSINESS

The profit on ordinary activities before tax amounted to £Nil (2005 £Nil) The directors expect the company to continue its non trading holding company status in the forthcoming year

RESULTS AND DIVIDENDS

The results for the year and financial position of the company are set out in detail on pages 6 to 10 of the financial statements The directors do not recommend the payment of a dividend (2005 £Nil)

CHARITABLE AND POLITICAL CONTRIBUTIONS

Charitable and political contributions were not in excess of £200 (2005 Charitable and political contributions were not in excess of £200)

CLOSE COMPANY

The company is a close company within the meaning of the Income and Corporation Taxes Act 1988

POLICY IN RESPECT OF SUPPLIER PAYMENTS

The company agrees terms and conditions with suppliers which are consistent with normal trading practises Payment is made in accordance with these arrangements, subject to suppliers meeting their contractual arrangements

No figure is available for creditor days as the company does not trade

PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

REPORT OF THE DIRECTORS CONTINUED

DIRECTORS

The directors who have served during the year are set out on page 2. The interests of the directors, including family interests, at the beginning and end of the year were as follows:

	Ordinary shares of £1 each	
	2006	2005
D W Granville, Esq	85000	85000
Mrs L Granville	85000	85000
P Hutchinson, Esq	-	-
E T Ronney, Esq	-	-

In accordance with the Articles of Association, no director is required to retire at the forthcoming annual general meeting. No director had, during or at the end of the year, any interest in a contract which was material to the company's business.


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.

On behalf of the board


D W Granville, Esq

27th July 2007

PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

ACCOUNTANT'S REPORT TO THE MEMBERS OF PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

We have examined, without carrying out an audit, the accounts for the year ended 31st December 2006 as set out on pages 6 to 10

Respective responsibilities of directors and reporting accountant

As described on page 4, the company's directors are responsible for the preparation of the accounts, and they believe that the company is exempt from an audit. It is our responsibility to examine the accounts and, based on our examination, to report our opinion, as set out below, to the members

Basis of opinion

We conducted our examination in accordance with the appropriate standards for reporting accountants issued by the Auditing Practices Board. This examination consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purpose of this report.

The examination was not an audit conducted in accordance with Auditing Standards. Accordingly, we do not express an audit opinion on the accounts. Therefore, our examination does not provide any assurance that the accounting records and the accounts are free from material misstatement.

Opinion

In our opinion

- a) the accounts are in agreement with those accounting records kept by the company under section 221 of the Companies Act 1985,
- b) having regard only to, and on the basis of, the information contained in those accounting records,
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the period specified in section 249A(4) of the Act and did not, at any time within that period, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1)

Limehouse, Mere Way
Ruddington Fields Business Park
Nottingham
NG11 6JS

30th July 2007



FRANKLIN UNDERWOOD

PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2006

	2006 £	2005 £
TURNOVER	-	-
Cost of sales	-	-
GROSS PROFIT	-	-
Administrative expenses	-	-
Loss on ordinary activities before taxation	-	-
Taxation	-	-
Loss on ordinary activities after taxation	-	-
Dividends	-	-
Retained profit for the year	-	-
Profit and loss account brought forward	-	-
Profit and loss account carried forward	-	-

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There were no recognised gains or losses during the year other than those in the profit and loss account

HISTORICAL COST PROFIT AND LOSS

There is no difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years

The notes on pages 9 to 10 form part of these financial statements

PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

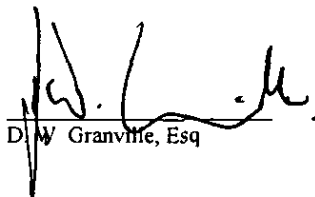
BALANCE SHEET AS AT 31ST DECEMBER 2006

	Notes	£	2006 £	£	2005 £
FIXED ASSETS					
Investments	2		170000		170000
NET ASSETS			<u>170000</u>		<u>170000</u>
CAPITAL AND RESERVES					
Called up share capital	3		170000		170000
Profit and loss account			-		-
SHAREHOLDERS FUNDS	4		<u>170000</u>		<u>170000</u>

These accounts have not been audited because the company is entitled to the exemption provided by section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the period in accordance with section 249B(2)

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with section 221 of the Companies Act 1985. The directors also acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the company as at 31st December 2006 and of its profit or loss for the financial period in accordance with section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to the accounts, so far as applicable to the company.

Approved on behalf of the board on 27th July 2007 and signed on its behalf



D. W. Granville, Esq

The notes on pages 9 to 10 form part of these financial statements

PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2006

	Notes	£	2006 £	£	2005 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	5		-		-
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest paid		-		-	
			-		-
TAXATION					
Corporation tax paid (including advance corporation tax)			-		-
INVESTING ACTIVITIES					
Payments to acquire investments		-		-	
			-		-
NET CASH OUTFLOW BEFORE FINANCING			-		-
EQUITY DIVIDENDS PAID			-		-
FINANCING					
Share issue		-		-	
			-		-
INCREASE IN CASH AND CASH EQUIVALENTS			-		-
Reconciliation of net cash flow to movement in net debt (note 6)		£	2006 £	£	2005 £
Increase in cash for the period		-		-	
Cash outflow from capital payments of finance lease and hire purchase		-		-	
Change in net debt resulting from cash flows			-		-
New finance leases			-		-
Change in net debt			-		-
Net debt at 1st January 2006			-		-
Net debt at 31st December 2006			-		-

PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2006

1 ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention and incorporate the result of the principal activity which is described in the director's report

2. FIXED ASSETS - INVESTMENTS

	2006 £	2005 £
Unlisted investments		
People Development Group Ltd	135000	135000
Direct Interaction Ltd	30000	30000
Logistics Training International Ltd	5000	5000
	<u>170000</u>	<u>170000</u>

Details of the company's investments are as follows,

Undertaking	Country of Registration	Nature of Holding	% owned
People Development Group Ltd	England	Ordinary	100
Direct Interaction Ltd	England	Ordinary	100
Logistics Training International Ltd	England	Ordinary	100

	2006 £	2005 £
3 SHARE CAPITAL		
Authorised 200000 ordinary shares of £1 each	200000	200000
Issued and fully paid 170000 ordinary shares of £1 each	<u>170000</u>	<u>170000</u>

4 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

Shareholders funds at 1st January 2006	170000	170000
Share issue	-	-
Shareholders funds at 31st December 2006	<u>170000</u>	<u>170000</u>

PEOPLE DEVELOPMENT GROUP HOLDINGS PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2006

5 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2006 £	2005 £
Operating loss	-	-
Depreciation	-	-
Increase in debtors	-	-
Decrease in creditors	-	-
(Profit) on sale of assets	-	-
Decrease in stock	-	-
NET CASH INFLOW FROM OPERATING ACTIVITIES	-	-

6 ANALYSIS OF CHANGES IN NET DEBT

	At 1st January 2006 £	Cash flow £	Other Changes £	At 31st December 2006 £
Total	-	-	-	-

7 CONTROL

The ultimate controlling parties are Mr & Mrs DW Granville, who control 100% of the company's share capital