


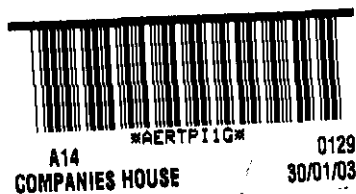
LEARNING DYNAMIX LIMITED

Abbreviated Financial Statements

31 March 2002

 ERNST & YOUNG

34/5/2001



Learning Dynamix Limited

Registered No. 03469280

DIRECTORS

C S Thompson
G Heydon
C L Moran
W H Moran
A Patterson
A Lynn
A Franckeiss

SECRETARY

A J P Borrell

AUDITORS

Ernst & Young LLP
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JD

BANKERS

Lloyds TSB Bank plc
Grey Street Branch
P O Box 1SL
102 Grey Street
Newcastle upon Tyne
NE99 1SL

SOLICITORS

Robert Muckle
Norham House
12 New Bridge Street West
Newcastle upon Tyne
NE1 8AS

REGISTERED OFFICE

Kingsway North
Team Valley Trading Estate
Gateshead
Tyne and Wear
NE11 0EG

**INDEPENDENT AUDITORS' REPORT TO LEARNING DYNAMIX LIMITED UNDER
SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the company's abbreviated accounts for the year ended 31 March 2002 which comprise the Abbreviated Balance Sheet and the related notes 1 to 7 which have been prepared in accordance with applicable United Kingdom law, together with the company's financial statements for the year ended 31 March 2002 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

This report has been prepared for the members of the company pursuant to Section 247B of the Companies Act 1985 (the "Act") and for no other purpose.

No person is entitled to rely on this report unless such person:

- i) is a person who is entitled to rely on this report by virtue of and for the purposes of the Act; or
- ii) has been expressly authorised to do so by our prior written consent.

Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and 246(6) of the Companies Act 1985, and the abbreviated accounts are properly prepared in accordance with those provisions.

A handwritten signature in black ink, appearing to read 'Ernst & Young LLP'.

Ernst & Young LLP
Registered Auditor
Newcastle upon Tyne

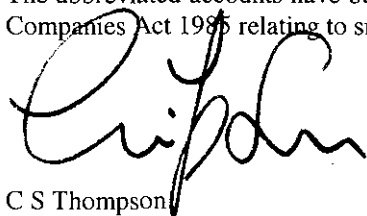
20 January 2003

Learning Dynamix Limited

ABBREVIATED BALANCE SHEET at 31 March 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible assets	2	205,814	293,444
Investments	3	150,000	-
		<u>355,814</u>	<u>293,444</u>
CURRENT ASSETS			
Debtors		244,349	301,547
Cash at bank and in hand		74	220,378
		<u>244,423</u>	<u>521,925</u>
CREDITORS: amounts falling due within one year	4	<u>265,539</u>	<u>379,707</u>
NET CURRENT (LIABILITIES)/ASSETTS		<u>(21,116)</u>	<u>142,218</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>334,698</u>	<u>435,662</u>
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation		1,700	26,250
		<u>1,700</u>	<u>26,250</u>
		<u>£332,998</u>	<u>£409,412</u>
CAPITAL AND RESERVES			
Called up share capital	5	258,400	258,400
Share premium account		42,005	42,005
Capital redemption reserve		50,000	50,000
Profit and loss account		(17,407)	59,007
SHAREHOLDERS' FUNDS			
Equity		<u>232,998</u>	<u>309,412</u>
Non-equity		<u>100,000</u>	<u>100,000</u>
		<u>£332,998</u>	<u>£409,412</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.



C S Thompson
Director

20 January 2003

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
at 31 March 2002

1. ACCOUNTING POLICIES

Accounting convention

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

Basis of consolidation

Group accounts have not been prepared because the company is entitled for the year ended 31 March 2002 to the exemption conferred by section 248 of the Companies Act 1985 from the requirement to prepare group accounts. Consequently the accounts presented relate only to the company.

Depreciation

Depreciation is provided straight line on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Property improvements	-	50 years
Fixtures and fittings	-	8 years
Computer equipment	-	up to 5 years
Motor vehicles	-	5 years

Deferred taxation

Deferred tax is provided 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:

- (i) 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 the tax only where the replacement assets are sold;
- (ii) 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.

Leasing and hire purchase commitments

Assets held under hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The corresponding hire purchase obligation is capitalised in the balance sheet as a liability. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Learning Dynamix Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS at 31 March 2002

2. TANGIBLE FIXED ASSETS

	£
Cost:	
At 1 April 2001	514,159
Additions	17,927
Transfers	(32,302)
At 31 March 2002	499,784
Depreciation:	
At 1 April 2001	220,715
Provided during the year	89,808
Transfers	(16,553)
At 31 March 2002	293,970
Net book value:	
At 31 March 2002	£205,814
At 1 April 2001	£293,444

3. INVESTMENTS

	£
Cost:	
At 1 April 2001	-
Additions	150,000
At 31 March 2002	£150,000

Investments include an investment in a joint venture, Training Dynamix Limited, comprising 50% of its issued ordinary share capital. During its latest financial year ended 31 March 2002, Training Dynamix Limited made a loss after tax of £81,367 and at the end of that year the aggregate of its capital and reserves was £68,633.

4. CREDITORS: amounts falling due within one year Creditors: amounts falling due within one year include:

	2002 £	2001 £
Aggregate secured liabilities	£ -	£19,624

Learning Dynamix Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS at 31 March 2002

5. SHARE CAPITAL

	2002	Authorised 2001	Allotted, called up and fully paid	
	No.	No.	2001 £	2001 £
Ordinary shares of £1 each	158,400	158,400	158,400	158,400
Preference shares of £1 each	-	-	-	-
'A' Preference shares of £1 each	50,000	50,000	-	-
'B' Preference shares of £1 each	100,000	100,000	100,000	100,000
	<u>£308,400</u>	<u>£308,400</u>	<u>£258,400</u>	<u>£258,400</u>

All the preference shares, which were issued at par and carry no coupon rate, are redeemable at the discretion of the board, also at par. The preference shares carry no votes at meetings unless there is a proposed resolution to vary the rights attached to those shares.

6. RELATED PARTIES

During the year the company entered into the following transactions, in the ordinary course of business, with related parties.

	Sales to related party £	Purchases from related party £	Amounts owed to related party £	Amounts owed from related party £
2002				
Exact Engineering (Thompson) Limited*	8,873	-	-	-
Express Holdings (Thompson) Limited*	715	202,926	157	3,408
Express Engineering (Thompson) Limited*	5,650	-	-	-
Knowledge Campus ezone Limited*	6,544	-	-	-
Northern Recruitment Group Plc	8,673	68,292	1,293	-
Omega Plastics (UK) Limited*	6,593	-	-	-
Pressex (North East) Limited*	2,436	-	-	409
Streamline Water Jet Cutting Limited*	2,088	174	-	-
Weldex (North East) Limited*	2,088	-	-	-
Tooling Technologies Limited*	71,480	-	-	-
Training Dynamix Limited	90,000	1,500	-	9,098
Knowledge Campus Limited	6,000	-	-	-
Kingsway Precision Limited	2,088	-	-	-
	<u>£213,228</u>	<u>£272,892</u>	<u>£1,450</u>	<u>£12,915</u>

The above companies (*) are related by virtue of common directorships.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
at 31 March 2002

7. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Learning Dynamix Limited is 54% owned by Partnership Investments Limited, which in turn is 75% owned by Express Holdings (Thompson) Limited. Northern Recruitment Group Plc owns 46% of Learning Dynamix Limited.

In the directors' opinion, the controlling party is Express Holdings (Thompson) Limited.