

**XPERTISE TRAINING LIMITED**

**Report and Financial Statements**

**29 May 2009**



# **XPERTISE TRAINING LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

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# **XPERTISE TRAINING LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

I P Johnson  
W R G Macpherson

#### **REGISTERED OFFICE**

Islington House  
Brown Lane West  
Leeds  
West Yorkshire  
LS12 6BD

#### **SOLICITORS**

EMW Picton Howell LLP  
Seebeck House  
One Seebeck Place  
Knowlhill  
Milton Keynes  
MK5 8FR

#### **AUDITORS**

Deloitte LLP  
Chartered Accountants and Registered Auditors  
Cambridge

# **XPERTISE TRAINING LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the 17 months ended 29 May 2009.

## **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The company's principal business activity until 31 December 2008 was the provision of IT training and consultancy services. On 31 December 2008, the company transferred the business to QA Limited (formerly QA-IQ Limited) at book value and the directors expect the company to remain non trading for the foreseeable future.

The directors have therefore prepared the financial statements on the basis that the company is no longer a going concern (see note 1).

## **KEY PERFORMANCE INDICATORS**

The company regarded the following as key performance indicators whilst it traded:

	<b>17 months ended 29 May 2009</b>	<b>12 months ended 31 December 2007</b>
Turnover	£23.4m	£22.3m
Gross profit	£8.9m	£7.6m
Operating profit before goodwill amortisation	£0.9m	£0.6m
Headcount (average during the period of trading)	124	118

## **RESULTS AND DIVIDENDS**

The loss on ordinary activities after taxation for the financial period amounted to £926,011 (12 months ended 31 December 2007 - £833,488 profit). The directors do not recommend the payment of a dividend (12 months ended 31 December 2007 - £nil).

## **DIRECTORS**

The directors who served during the period and to the date of this report were:

I P Johnson  
R Last (resigned 26 September 2008)  
M Hatton (resigned 26 September 2008)  
W R G Macpherson (appointed 5 December 2008)

## **DIRECTORS' INDEMNITIES**

The company made qualifying third party indemnity provisions for the benefit of its directors and officers during the prior year and these remain in force at the date of this report.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

Up to the date of transfer of the business to QA Limited, the company operated in a competitive market and had a number of key competitors.

The company managed this risk by providing competitively priced, high quality, flexible learning solutions and maintaining strong relationships with its customers.

# **XPERTISE TRAINING LIMITED**

## **DIRECTORS' REPORT**

### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

Up to the date of transfer of the business to QA Limited (QA-IQ Limited), the company's activities exposed it to a number of financial risks including price risk, credit risk, cash flow risk and liquidity risk. The company did not use derivative financial instruments for speculative purposes.

#### **Cash flow risk**

The company's activities did not expose it to significant financial risk of changes in foreign currency exchange rates. The company did not therefore use any financial instruments to hedge against these risks.

#### **Credit risk**

The company's principal financial assets were bank balances and trade debtors.

The company's credit risk was primarily attributable to its trade debtors. The amounts presented in the balance sheet to the date of transfer were net of provision for doubtful debts. A provision was made where there was evidence of the possibility of not being able to recover the debt.

The credit risk on liquid funds was limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The company had no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

#### **Liquidity risk**

In order to maintain liquidity and to ensure that sufficient funds are available for ongoing operations and future developments, the company operated within a group treasury function, features of which include intercompany cash transfers and management of finance lease contracts.

#### **Price risk**

The company was exposed to limited price risk and historically market prices have shown a high level of stability.

### **AUDITORS**

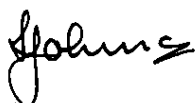
In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Deloitte LLP were appointed auditors during the period, and have expressed their willingness to continue in office as auditors. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



I P Johnson

Director

**STATEMENT OF 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; and
- 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF XPERTISE TRAINING LIMITED**

We have audited the financial statements of Xpertise Training Limited for the 17 months ended 29 May 2009 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

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 judgments 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF XPERTISE TRAINING LIMITED (continued)**

### **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 29 May 2009 and of its loss for the 17 months 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.

### **Emphasis of matter - Financial statements prepared on a basis other than that of a going concern**

In forming our opinion, on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements have been prepared on a basis other than that of a going concern.

*Deloitte LLP*

Deloitte LLP

Chartered Accountants and Registered Auditors  
Cambridge, United Kingdom

*25 September 2009*

# XPERTISE TRAINING LIMITED

## PROFIT AND LOSS ACCOUNT 17 months ended 29 May 2009

	Note	17 months ended 29 May 2009 £	12 months ended 31 December 2007 £
<b>TURNOVER</b>	2	23,889,387	22,293,867
Cost of sales		(14,911,631)	(14,679,676)
<b>GROSS PROFIT</b>		8,977,756	7,614,191
Administrative expenses		(8,463,593)	(7,420,264)
<b>OPERATING PROFIT</b>	3	514,163	193,927
Amounts written off investments	11	(880,994)	-
Interest receivable and other income	4	101,645	102,197
Interest payable and similar charges	5	(110,254)	-
<b>(LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(375,440)	296,124
Tax on (loss) profit on ordinary activities	8	(550,571)	537,364
<b>(LOSS) PROFIT FOR THE FINANCIAL PERIOD</b>	18	(926,011)	833,488

All activities derive from discontinued operations following the transfer of the trade and assets to QA Limited (formerly QA-IQ Limited) on 31 December 2008.

There are no recognised gains and losses other than the loss for the current financial period and the profit for the preceding financial year. Accordingly, no statement of total recognised gains and losses is given.

# XPERTISE TRAINING LIMITED

## BALANCE SHEET 29 May 2009

	Note	29 May 2009 £	31 December 2007 £
<b>FIXED ASSETS</b>			
Intangible assets	9	-	4,371,897
Tangible fixed assets	10	-	504,096
Investments	11	-	880,994
		-	5,756,987
<b>CURRENT ASSETS</b>			
Stocks	12	-	70,933
Debtors	13	2,978,981	4,721,004
Cash at bank in hand		-	2,116,166
		2,978,981	6,908,103
<b>CREDITORS: Amounts falling due within one year</b>	15	(6,581,387)	(9,651,091)
<b>NET CURRENT LIABILITIES</b>		(3,602,406)	(2,742,988)
<b>CREDITORS: Amounts falling due after one year</b>	16	-	(5,690,394)
<b>NET LIABILITIES</b>		(3,602,406)	(2,676,395)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	1	1
Profit and loss account	18	(3,602,407)	(2,676,396)
<b>SHAREHOLDERS' FUNDS</b>	19	(3,602,406)	(2,676,395)

These financial statements were approved by the Board of Directors and authorised for issue on 25 September 2009  
Signed on behalf of the Board of Directors by



I P Johnson  
Director

**NOTES TO THE FINANCIAL STATEMENTS**  
**17 months ended 29 May 2009**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the period and preceding period, are described below.

**Accounting convention**

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

**Basis of preparation**

The company transferred its trade, assets and liabilities to a fellow group undertaking on 31 December 2008 and has ceased trading. As required by FRS 18 'Accounting Policies', the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities were transferred to the fellow group undertaking at their market value.

**Consolidation**

As permitted by s228 of the Companies Act 1985, the company has not prepared consolidated accounts as it is a subsidiary of QA-IQ Holdings Limited, a company registered in England and Wales. The accounts therefore present information about the company as an individual undertaking and not about its group.

**Cash flow statement**

As permitted by Financial Reporting Standard No. 1 (Revised), "Cash Flow Statements", the company has not included a cash flow statement as part of its financial statements because the consolidated financial statements of the ultimate parent company, QA-IQ Holdings Limited (of which the company is a subsidiary) are publicly available.

**Turnover and revenue recognition**

Turnover represents amounts receivable for goods and services provided in the normal course of business together with non-refundable fees, exclusive of value added tax.

Training revenue is recognised upon the delivery of training. Where training is contracted in advance of delivery, revenue is deferred and released to the profit and loss account as delivery occurs. Where training is not expected to be delivered on certain contracts, the company recognises the revenue rateably over the term of the contract. The residual amount is included within deferred income and will be recognised within the next 12 months.

**Leased assets**

Rentals payable under operating leases are charged to the profit and loss account evenly over the lease term.

**Investments**

Investments in subsidiaries are recorded at cost, less any provisions for impairment.

**Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**NOTES TO THE FINANCIAL STATEMENTS**  
**17 months ended 29 May 2009**

**1. ACCOUNTING POLICIES (continued)**

**Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Translation differences arising are dealt with in the profit and loss account.

**Pension arrangements**

The company operated defined contribution pension schemes until 31 December 2008 when the trade and assets were transferred to QA Limited (formerly QA-IQ Limited). The assets of the schemes were held separately from those of the company in independently administered funds.

**Goodwill**

Goodwill arising on the acquisition of businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is 20 years. Provision is made for any impairment.

**Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Short-term leasehold improvements	Straight line over the life of the lease
Fixtures, fittings and equipment	2 to 5 years straight line

**Stocks**

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated normal selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow moving or defective items where appropriate.

**2. TURNOVER**

All turnover is derived from sales made within the United Kingdom.

Turnover by class of business has not been disclosed as in the opinion of the directors, such disclosures would be seriously prejudicial to the company.

# XPERTISE TRAINING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 17 months ended 29 May 2009

### 3. OPERATING PROFIT

	17 months ended 29 May 2009 £	12 months ended 31 December 2007 £
Operating profit is after charging:		
Amortisation of goodwill	355,518	355,518
Depreciation of tangible fixed assets	370,425	319,815
Operating lease rentals		
Plant and machinery	33,428	35,898
Other	627,784	623,638
Exceptional item – onerous lease charge	621,615	-
Management charge from parent undertaking	500,000	500,000

The auditors' remuneration for audit services amounted to £10,000 (12 months ended 31 December 2007 - £18,491).

There were no non-audit fees in either the current or preceding period.

### 4. INTEREST RECEIVABLE AND SIMILAR INCOME

	17 months ended 29 May 2009 £	12 months ended 31 December 2007 £
Bank interest receivable	101,645	102,197

### 5. INTEREST PAYABLE AND SIMILAR CHARGES

	17 months ended 29 May 2009 £	12 months ended 31 December 2007 £
Bank interest payable	31,501	-
Unwinding of discount on provision	78,753	-
	110,254	-

## **XPERTISE TRAINING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**17 months ended 29 May 2009**

#### **6. DIRECTORS' EMOLUMENTS**

The directors did not receive any remuneration for their services to Xpertise Training Limited during either the current period or preceding financial year.

#### **7. INFORMATION REGARDING EMPLOYEES**

	<b>17 months ended 29 May 2009 £</b>	<b>12 months ended 31 December 2007 £</b>
<b>The average number of persons employed by the company during the period to the date that trade was transferred to QA Limited is analysed below:</b>		
Learning services, sales and administration	<u>124</u>	<u>118</u>
<b>Company employment costs of all employees included above:</b>		
Gross wages and salaries	5,507,761	4,874,672
Social security costs	637,045	552,320
Other pension costs	93,606	71,978
	<u>6,233,374</u>	<u>5,498,970</u>

# XPERTISE TRAINING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 17 months ended 29 May 2009

### 8. TAX ON (LOSS) PROFIT ON ORDINARY ACTIVITIES

#### a) Analysis of (charge) credit in period

	17 months ended 29 May 2009 £	12 months ended 31 December 2007 £
<b>Current tax</b>		
United Kingdom corporation tax at 28% based on (loss) profit for the period	-	(20,330)
Adjustment in respect of prior periods	(1)	7,122
	<u>(1)</u>	<u>(13,208)</u>
<b>Deferred tax (see note 14)</b>		
Origination and reversal of timing differences	-	550,272
Adjustment in respect of prior years	(550,572)	-
	<u>(550,571)</u>	<u>537,364</u>
Tax on (loss) profit on ordinary activities		

The (loss) profit on ordinary activities at the standard UK corporation tax rate of 28% (12 months ended 31 December 2007 - 30%) reconciles to the current tax charge as follows:

	17 months ended 29 May 2009 £	12 months ended 31 December 2007 £
(Loss) profit on ordinary activities before taxation	<u>(375,440)</u>	<u>296,124</u>
Tax on profit on ordinary activities at standard rate	(105,123)	88,837
Factors affecting credit for the period:		
Expenses not deductible for tax purposes	331,906	86,749
Depreciation for the period in excess of capital allowances	9,648	(19,380)
Tax losses utilised	(207,971)	(133,495)
Group relief surrendered for nil consideration	(28,460)	-
Other short term timing differences	-	8,165
Rate difference	-	(10,546)
Adjustment in respect of prior periods	1	(7,122)
	<u>1</u>	<u>13,208</u>
Total current tax		

# XPERTISE TRAINING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 17 months ended 29 May 2009

### 9. INTANGIBLE FIXED ASSETS

	Goodwill £
<b>Cost</b>	
At 1 January 2008	5,630,509
Transferred to QA Limited	(5,630,509)
	<u>-</u>
At 29 May 2009	<u>-</u>
<b>Accumulated amortisation</b>	
At 1 January 2008	1,258,612
Charged during the period	355,518
Transferred to QA Limited	(1,614,130)
	<u>-</u>
At 31 December 2007	<u>-</u>
<b>Net book value</b>	
At 29 May 2009	<u>-</u>
	<u><u>4,371,897</u></u>
At 31 December 2007	<u><u>4,371,897</u></u>

### 10. TANGIBLE FIXED ASSETS

	Short leasehold land and buildings £	Fixtures, fittings, computer and equipment £	Total £
<b>Cost</b>			
At 1 January 2008	173,796	1,794,579	1,968,375
Additions	-	208,506	208,506
Disposals	-	(183,282)	(183,282)
Transferred to QA Limited	(173,796)	(1,820,803)	(1,994,599)
	<u>-</u>	<u>-</u>	<u>-</u>
At 29 May 2009	<u>-</u>	<u>-</u>	<u>-</u>
<b>Accumulated depreciation</b>			
At 1 January 2008	106,721	1,357,558	1,464,279
Charged during the period	16,039	354,386	370,425
Disposals	-	(149,445)	(149,445)
Transferred to QA Limited	(122,760)	(1,562,499)	(1,685,259)
	<u>-</u>	<u>-</u>	<u>-</u>
At 29 May 2009	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net book value</b>			
At 29 May 2009	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>67,075</u></u>	<u><u>437,021</u></u>	<u><u>504,096</u></u>
At 31 December 2007	<u><u>67,075</u></u>	<u><u>437,021</u></u>	<u><u>504,096</u></u>

# XPERTISE TRAINING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 17 months ended 29 May 2009

### 11. INVESTMENTS HELD AS FIXED ASSETS

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2008 and 29 May 2009	880,994
<b>Provision for impairment</b>	
At 1 January 2008	-
Charge for the period	880,994
At 29 May 2009	880,994
<b>Net book value</b>	
At 29 May 2009	-
At 31 December 2007	880,994

As at 29 May 2009, the company had investments in the following subsidiary undertakings:

Name of undertaking	Country of incorporation	Principal activity at period end	Class of holding	%
Expertise Group Limited	England and Wales	Holding company	Ordinary	100%
Watermans People and Organisational Development Limited	England and Wales	Non-trading	Ordinary	100%
Xenon Training Ltd *	England and Wales	Non-trading	Ordinary	100%
Xenon Training (NE) Ltd *	England and Wales	Non-trading	Ordinary	100%
Expertise Training Ltd*	England and Wales	Non-trading	Ordinary	100%
* Indirect subsidiary				

### 12. STOCKS

	29 May 2009 £	31 December 2007 £
Finished goods	-	70,933

There is no material difference between the balance sheet value of stocks and their replacement cost.

# XPERTISE TRAINING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 17 months ended 29 May 2009

### 13. DEBTORS

	29 May 2009 £	31 December 2007 £
Trade debtors	-	3,840,452
Amounts owed from parent and group undertakings	2,978,981	-
Prepayments and accrued income	-	329,980
Deferred tax asset (see note 14)	-	550,572
	<u>2,978,981</u>	<u>4,721,004</u>

All amounts fall due within one year

### 14. DEFERRED TAX ASSET

	£
Balance at 1 January 2008 (see note 13)	550,572
Charge to profit and loss (see note 8)	(550,572)
Balance at 29 May 2009 (see note 13)	<u>-</u>

The deferred tax asset is made up as follows:

	Recognised		Not recognised	
	29 May 2009 £	31 December 2007 £	29 May 2009 £	31 December 2007 £
Depreciation in excess of capital allowances	-	-	-	170,675
Other timing differences	-	-	-	15,993
Tax losses	-	550,572	-	-
	<u>-</u>	<u>550,572</u>	<u>-</u>	<u>186,668</u>

# XPERTISE TRAINING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 17 months ended 29 May 2009

### 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	29 May 2009 £	31 December 2007 £
Trade creditors	-	1,810,231
Taxation and social security	-	556,054
Amounts owed to parent and fellow group undertakings	6,581,387	2,857,486
Corporation tax payable	-	20,330
Accruals	-	586,014
Deferred income	-	3,820,976
	<u>6,581,387</u>	<u>9,651,091</u>

### 16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	29 May 2009 £	31 December 2007 £
Amounts owed to parent and fellow group undertakings	-	5,650,394
Deferred consideration	-	40,000
	<u>-</u>	<u>5,690,394</u>

Deferred consideration is payable in respect of the acquisition completed on 27 January 2006 of Watermans People and Organisation Development Limited. The deferred consideration was paid on 31 January 2008.

### 17. CALLED UP SHARE CAPITAL

	29 May 2009 £	31 December 2007 £
<b>Authorised</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Called up, allotted and fully paid</b>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

# XPERTISE TRAINING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 17 months ended 29 May 2009

### 18. PROFIT AND LOSS ACCOUNT

	£
At 1 January 2008	(2,676,396)
Loss for the financial period	(926,011)
At 29 May 2009	<u>(3,602,407)</u>

### 19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	17 months ended 29 May 2009 £	12 months ended 31 December 2007 £
(Loss) profit for the financial period	(926,011)	833,488
Net (reduction in) addition to shareholders' funds	(926,011)	833,488
Opening shareholders' (deficit)	<u>(2,676,395)</u>	<u>(3,509,883)</u>
Closing shareholders' (deficit)	<u>(3,602,406)</u>	<u>(2,676,395)</u>

### 20. OPERATING LEASE COMMITMENTS

Annual commitments under non-cancellable operating leases are as follows:

	29 May 2009		31 December 2007	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
Within one year	-	-	33,169	-
In two to five years	-	-	190,250	51,598
After five years	-	-	381,110	-
	<u>-</u>	<u>-</u>	<u>604,529</u>	<u>51,598</u>

### 21. RELATED PARTY TRANSACTIONS

As over 90% of the issued share capital of the company is owned by a group whose consolidated financial statements are publicly available it is not required to disclose transactions with other group undertakings that would otherwise be required under Financial Reporting Standard No.8 'Related Party Disclosures'.

**NOTES TO THE FINANCIAL STATEMENTS**  
**17 months ended 29 May 2009**

**22. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The directors regard QA-IQ Holdings Limited as the ultimate holding company and Xpertise Group Limited (formerly Xpertise Group plc) as the immediate parent company. Both companies are registered in England and Wales.

The directors regard Encap Lux QaiQ S.à.r.l., a company registered in Luxemburg, through its 64% voting rights of QA-IQ Holdings Limited as the ultimate controlling party.

The smallest and largest group in which the results of the company are consolidated for the period ended 29 May 2009 is that headed by QA-IQ Holdings Limited. Copies of the consolidated accounts of QA-IQ Holdings Limited which include the results of the company can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.