

SUPPORTA PLC

Dedicated to People



Shaping Better Places



Annual Report and Accounts Report 2008

Company Registration Number
04002389

WEDNESDAY



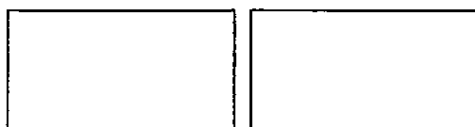
A0EHI3ZP

A39

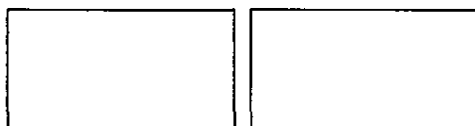
15/10/2008

168

COMPANIES HOUSE



Supporta Care provides support to elderly, frail and disabled people in the UK to allow them to continue living in their own home in comfort with dignity



Supporta Professional Services provides partnership, support and technology services to leading public and private sector organisations across the UK

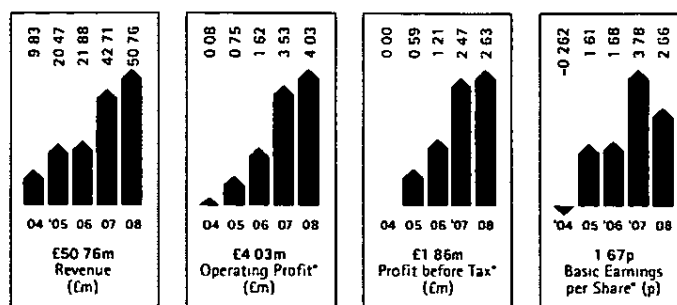
Each day the work we undertake has a profound impact on the quality of life for the people our services touch.

Contents

Financial Highlights	1	Consolidated Balance Sheet	26
Supporta Care	2	Consolidated Cashflow Statement	27
Professional Services	4	Accounting Policies – Group	28
Timeline	6	Notes to the Condensed	
Chairman's Statement	8	Consolidated Financial Information	35
Chief Executive's Report	10	Reconciliation Between UK GAAP and IFRS	61
Finance Director's Report	13	Five Year Summary	67
Board of Directors	16	Parent Company Financial Statements	68
Directors' Report	18	Report to the Independent Auditor	
Corporate Governance Statement	21	to the Members of Supporta plc	69
Report of the Independent Auditor	23	Company Balance Sheet	70
Consolidated Income Statement	24	Company Accounting Policies	71
Consolidated Statement of		Notes to the Company Financial Information	72
Recognised Income and Expense	25	Company Information	77

The Directors' Report on pages 18 to 20 have been drawn up in accordance with the requirements of English law and liability in respect thereof is also governed by English law. In particular the responsibility of the Directors for these reports is owed solely to Supporta plc.

The Directors submit to the members their annual report and financial statements of the Group for the year ended 31 March 2008. Pages 1 to 16 and page 77 including the Financial Highlights, Chairman's Statement, Finance Director's Report, Corporate Governance Statement, Company Information and Directors' Report form part of the Report of the Directors.



Financial Highlights

for the year ended 31st March 2008

Financial highlights*

- Revenue increased by 19% to £50.76m (2007: £42.71m)
- Operating profit before share-based payment charge, amortisation and exceptional items increased by 14% to £4.03m (2007: £3.53m)
- Operating profit of £1.02m (2007: loss of £1.47m)
- Loss before tax of £0.37m (2007: £2.53m)
- Adjusted basic earnings per share* reduced by 30% to 2.66p (2007: 3.78p)
- Basic loss per share of 0.91p (2007: loss 3.68p)
- Cash generated from operations reduced by 45% to £1.90m (2007: £3.43m)
- Banking facilities renegotiated
- Successful placing raising £4.18m and additional £1.08m of shares issued as deferred consideration

Operational highlights

Supporta Care

- Contract wins (start date)

Harrow (Dec 07)	4,000 hrs
Hertfordshire (Apr 08)	3,000 hrs
Liverpool (Jul 07)	1,000 hrs
Stockton (Apr 08)	1,000 hrs
Surrey (Sep 08)	1,000 hrs
Bristol Extracare (Jan 08)	500 hrs
Kensington Et Chelsea (Jan 08)	500 hrs
	11,000 hrs

- New Care System implementation
- New Regional Management Team
- Organic revenue growth 10%
- Operating profit* increasing 35% to £3.96m (2007: £2.94m)
- Hallam acquisition completed and performing to expectations
- Operating Margin* increased from 9.6% to 11.5%

Supporta Professional Services

- Contract wins (start date)

TfL - Property Asset Register mapping services (Sep 07)

Cross London Rail Links - Land Referencing and Property Information Management Services (Feb 08) and to provide a web-based Property Register as a hosted service (Apr 08)

Oxford Radcliffe Hospitals NHS Trust - Extension of the Medical Records Data Storage contract (Mar 08)

Taylor Wimpey - web-based Strategic Land Database as a hosted service (Jan 08)

- Implementation of new structure
- Annualised run-rate cost reduction of approximately £1.7m arising from new structure
- Operating profit* reducing by 4% to £2.12m (2007: £2.21m)
- Operating Margin* reduced from 18.1% to 12.5%

* before share-based payment charge, amortisation and exceptional items

* all numbers quoted in financial highlights represent continuing operations

Supporta Care

Supporta Care is one of the largest and most experienced providers of care at home in the country currently working with 47 local authorities and providing care to over 4,000 Service Users.

At Supporta Care we are dedicated to people, employing over 2,000 staff providing over 60,000 hours of care per week to communities across the UK, 24 hours a day, 7 days a week, 365 days a year. Supporta Care have been providing care services for over 15 years and provide a variety of care services ranging from fortnightly shopping calls through to intensive 24 hour services.

As well as offering the traditional home care service, we also provide the following specialist services

Live-in Care

Live-in care offers a real care alternative to nursing or residential care and the opportunity for couples to remain together at home.

Our live-in services also offer respite care for shorter periods enabling relatives to enjoy a break. Our live-in care service is offered across the country and is managed from two sites, one in Dudley and the other in Loughton, Essex.

Palliative Care

Supporta Care provides a tailor-made service designed to offer professional, flexible and sympathetic care to the terminally ill and their families.

This service offers real choice for patients to receive the care they need in the comfort of their own home. If a patient is in hospital, we can offer support to assist in an early discharge and allow them to receive appropriate care at home. This service is provided in a sensitive manner by staff who have received appropriate training by Supporta Care.

Supporta Angels

Supporta Angels – provides a tailor-made platinum service dedicated to improving customers' lifestyles and helping them live their lives, their way.

We provide care solutions for people of all ages who are looking to maintain or regain their independence.

They may be recovering from an operation or illness and trying to re-adjust to life at home. They may need occasional assistance with everyday tasks or are just looking for additional support through a difficult period in their life.

Whatever their needs, Supporta Angels offers the care they need in the comfort of their own home.

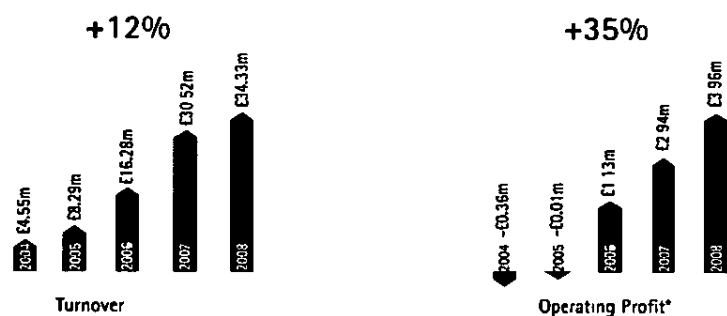
Rapid Response

This service is provided at short notice to enable speedy hospital discharges or prevent admissions which can be a significant problem for health and social care services.

Supporta Care have trained staff on stand-by to cover referrals at short notice and the service is managed locally and supported by our out-of-hours provision.

This service can be linked to providing a care service to people who have had a fall, for example. Before discharge from hospital, Supporta Care staff will help ease the patient into receiving care assistance at home. This service could also allow the patient to gain confidence by returning home for short time periods prior to discharge.

Supporta Care Dedicated to People



* before share-based payment charge, amortisation and exceptional items.

Short-term and Long-term Respite Services

Live-in care offers a real care alternative to nursing or residential care and the opportunity for couples to remain together at home

Our live-in services also offer respite care for shorter periods enabling relatives to enjoy a break. Our live-in care service is offered across the country and is managed from two sites, one in Dudley and the other in Loughton, Essex.

Continuing Care

Supporta's continuing care service is designed to support and care for people with complex and unpredictable health needs.

Professional Services

Supporta Professional Services deliver a comprehensive and unique portfolio of business services to a wide range of organisations across the public and private sectors.

Our services and solutions support organisations in overcoming their business challenges across Architecture and Civil & Structural Engineering, more effective use of land and property assets, physical and online Document Solutions, and general and specialist consultancy

Our management team has significant experience in meeting and exceeding client expectations and delivering on key projects with a pedigree of service delivery spanning over thirty years.

We work with

- more than half of the UK's Local Authorities
- more than 50 infrastructure and regeneration organisations
- more than 20 Government agencies
- 7 utilities companies
- more than 50 private sector clients

Supporta Professional Services wealth of knowledge and experience secured a place on the Geographic Information Services and Solutions (GISS) Catalyst Framework agreement with OGCbuying solutions, having been successful during a competitive procurement process.

Our Architecture practice is one of the panel architects to the Home Office's prisons build programme

We operate in a £4.6bn market forecast to grow by 9% to 10% between 2007 and 2010

We specialise in:

Supporta TerraQuest

The business supplies services which enable more effective use of land and property in the UK through the application of knowledge, expertise and technology to the following market segments.

Local Authorities & Regeneration Agencies

There are over 400 local authorities in the UK. Our focus is on those with large land and property portfolios but with significant underutilisation of land and property assets.

We address these authorities' need for better utilisation of land and property assets by providing asset management, land acquisition and town planning services

There are thirty Regeneration Agencies working at national, regional and local levels to complement and support local authorities in their economic development and associated regeneration aspirations.

The business addresses the needs of these Agencies to accelerate development by providing development opportunity identification and land acquisition services.

Transport and Utilities

These developers are responsible for highway, rail, air and water transportation, power, water, communications and waste transmission. They generally need to secure

the land and powers needed to provide new infrastructure by following statutory procedures.

The business addresses their needs by providing services which secure possession and title to the land. We also enable infrastructure developers to manage their land portfolios more effectively

Property Developers

There are a very large number of property developers in both the public and private sectors. Some operate nationally, others regionally or locally. Some specialise in specific types of development e.g. housing and retail whilst others cover a range of development types.

The business is focussing on those property developers who have large land holdings and provides web-based management information services aimed at enabling them to maximise the return on their investment.

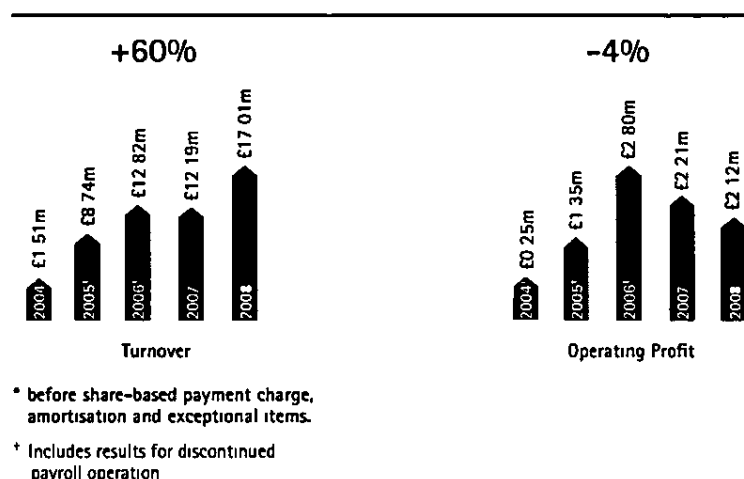
Devolved Government

Devolved Government focuses on the devolved governments of Northern Ireland, Scotland and Wales.

The business has two major contracts for Devolved Government – one in Scotland and one in Northern Ireland

Further major business opportunities in Devolved Government are being pursued with BT.

Supporta Professional Services Shaping Better Places



Supporta Services

Document Solutions

SPS Document Solutions provide specialist records, document management and imaging services to Local and Central Government, the NHS, Legal, Utilities, Pharmaceutical and Publishing organisations.

Operating from an ex NATO airbase in Oxfordshire offering highly secure physical record storage and the latest in digital conversion process and access systems.

Architecture

Providing architectural design and planning consultancy services to the public and private sectors. We are licensed to audit the BREEAM code for sustainable homes and are Eco-Homes assessors.

We are one of the market leaders in prison design as evidenced by our national framework contract with the Ministry of Justice

Consultant Engineers

We provide civil, structural and environmental engineering to public and private organisations. These design and consultant projects range from £500k to large scale re-generation schemes of up to £100m construction value

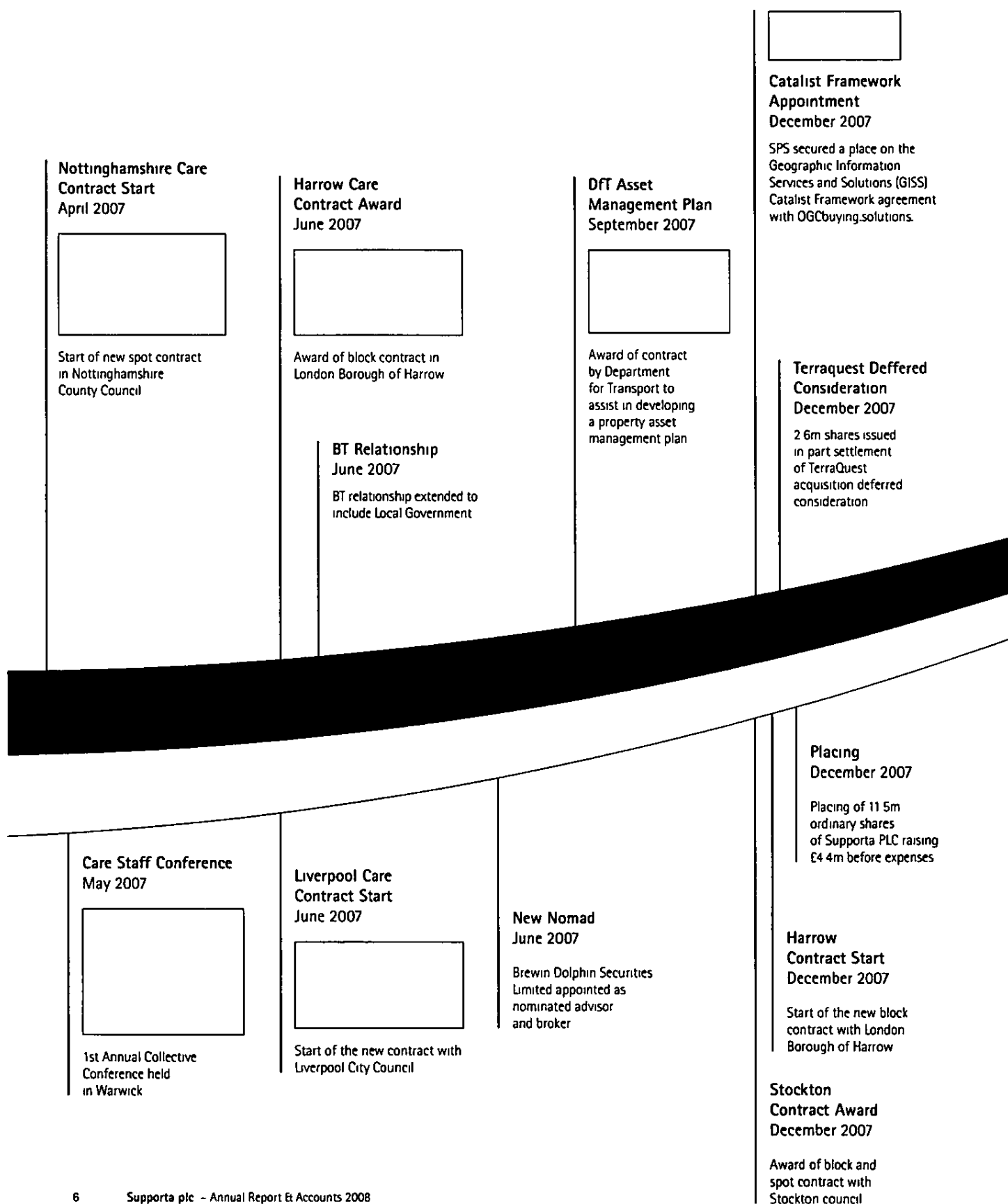
Our clients include central Government Departments, major developers in the Commercial, Residential, Industrial and Regeneration sectors.

Healthcare Consultancy

Our experienced team of consultants provide a range of general and specialist consultancy services from business process reviews, systems implementation and procurement management

Timeline

The story of 2008



**Nottinghamshire
Extra Care Award
January 2008**



Award of contract at vale
View Extra Care scheme in
Nottinghamshire County
Council

**Hallam Acquisition
January 2008**

Acquisition of
Hallam Healthcare (East
Midlands) limited for a
total consideration of up
to £4 7m

**Cross Rail
Contract Award
March 2008**



Award of five year contract
by Cross London Rail Links to
provide a web-based Property
Register as a hosted service

**Hammersmith &
Fulham Pilot Award
March 2008**



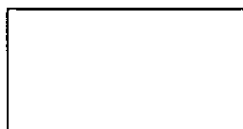
Carers Emergency Support
pilot scheme awarded by
Hammersmith and Fulham

**Surrey Care
Contract Award
March 2008**



Award of spot contract with
Surrey County Council

**Cross Rail Contract Award
February 2008**



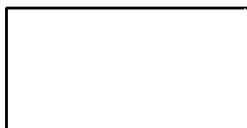
Award of five year contract
by Cross London Rail Links
to provide Land Referencing
and Property Information
Management Services

**Oxford Radcliffe
Contract Award
March 2008**

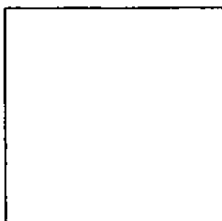


Extension of the Medical
Records Data Storage
contract with the Oxford
Radcliffe Hospitals NHS
Trust for a further 2 years
to January 2011

**Hertfordshire
Contract Award
January 2007**



Award of block contract with
Hertfordshire County Council
January 2008



"Our Care Division has continued to develop strongly whilst the Professional Services Division results have been impacted significantly by the performance of our Architecture Practice."

Dr Clive Grace
Non-executive Chairman

Chairman's Statement

I am pleased to present the results for the year ended 31 March 2008. The highlights set out earlier reveal the mixed fortunes of the two divisions over the course of the last year.

Our Care Division has continued to develop strongly, principally through organic growth, with an outstanding year of new contract wins secured. It continues to operate within what we believe to be an extremely buoyant marketplace, and is well placed to benefit from further organic growth and anticipated consolidation within this sector.

The Professional Services Division results have been impacted significantly by the performance of our Architectural practice and specifically by the charge as an exceptional item of the write-off of £0.77m of accrued income which had been recognised in the previous year's accounts. There have nonetheless been some significant developments within the Division. The TerraQuest acquisition has performed ahead of management expectations, whilst the Engineering and Records Management businesses continued to perform in line with expectations.

Corporate Activity

The Board notes the announcement made by Romac Investments Limited ('Romac') on 13 June 2008 and can confirm that on 23 April 2008 it received a letter from Romac outlining an indicative conditional proposal regarding a possible offer for the issued and to be issued share capital of Supporta.

On receipt of this letter the board entered into a dialogue with Romac seeking to clarify uncertainties surrounding its conditional indicative proposal, including in respect of the financing of any offer. The board and its advisors also had a number of conversations with alternative offerors and received an indicative proposal from a third party which placed a significantly higher value on the Group than that set out by Romac in their letter of 23 April 2008. This higher indicative proposal was conditional on receiving the support of Gingko Investments Limited ('Gingko'), the wholly owned subsidiary of Romac, in any offer by the third party. Following discussions with the third party Gingko informed Supporta that it would not support the higher indicative offer and hence the third party formally withdrew from discussions regarding an offer for Supporta.

On 5 June 2008 the board informed Romac that it placed a significantly higher value on Supporta than that set out in Romac's proposal and that it felt unable to progress matters on the basis of Romac's letter of 23 April 2008.

The Supporta board also informed Romac that it would welcome an alternative proposal from Romac that placed an appropriate value on the Company, a position it continues to adopt.

The board has actively been evaluating strategic options for the Company and remains committed to taking action to deliver value for all shareholders.

In addition to these recent developments, the Group disposed of its payroll business to the McKesson Corporation in May 2007 for a total consideration of £3.5 million in cash and it acquired the entire share capital of Hallam Healthcare Services (East Midlands) Limited for a maximum total consideration of £4.7 million in January 2008.

Strategic Review

The Board conducted a full strategic review during the course of the year to strengthen the focus of the Group and ensure that Shareholders realised the underlying and potential value. The Board, in conjunction with its financial advisers, concluded that:

- the best way to optimise shareholder value is to continue to grow the Supporta Care business both organically and with earnings enhancing acquisitions,
- the cost reduction exercise within Supporta Professional Services should position that business to produce enhanced returns.

The Board will also continue to review whether the two businesses are better positioned to take advantage of growth opportunities as separate businesses.

The Board reached these conclusions after taking into account the following factors:

- the Supporta Care division has market opportunity through both acquisition and organic growth initiatives,
- the current stock market valuation of the Group does not accurately reflect the value of the component parts of the Group, and
- the current M & A environment has been adversely impacted by the weakness in credit markets.

The Directors believe that in this environment, the value which potential acquirers would place on the Group's Divisions would be negatively affected over the short-term.

Performance in 2007/08

The financial year was adversely impacted by the performance of our Architectural practice. This underperformance led to us issuing a trading statement on the 23 January 2008.

In December 2007, Supporta completed a placing which raised £4.18m net of expenses. At this time it was the Board's expectation that any underperformance arising from its

** before exceptional items, goodwill amortisation and impairment*

We believe that the Group is well positioned to deliver underlying organic growth.

Architectural practice would be offset by stronger performance from the other businesses which comprise the Professional Services Division, such that market expectations of operating performance could be achieved

Towards the end of January 2008 it became clear that the results of Supporta Bay Associates would be impacted by contract delays. As a result, on 23 January 2008, the Board issued a trading statement explaining that the earnings before interest, taxation, exceptional items and amortisation for the year to 31 March 2008 would not be less than £2.95 million. The revised lower target, as set out in this release, has been achieved.

The underperformance of the Architectural practice in the financial year to 31 March 2008 has arisen in part following a review of all accrued income and a recognition that income previously recognised in the prior year's financial statements was no longer considered recoverable, together with a more rigorous policy on revenue recognition in the current financial year. As a result of the underperformance in the Architectural practice the management of that business unit was changed.

Michael Curran has taken on the role of Divisional Managing Director of the Supporta Professional Services Division. The finance team for the division has also been significantly strengthened since this time.

A new divisional structure for Professional Services has been implemented with the appointment of John Gannon to lead the TerraQuest business and John Fynn heading up the Services business. Alongside these two business streams lie a Sales and Marketing team led by Simon Read and a Corporate Services support function headed up by Trevor Fayers.

Banking Facilities

As a result of the weak trading performance from the Group's Architectural practice the Board successfully re-negotiated the terms of its term loan facility with its bank, Barclays PLC. The Board has agreed with the bank a revised covenant and repayment profile.

Trading Outlook

Trading for the year to date is in line with management's expectations and the Directors believe that the Group is well positioned to deliver underlying organic growth in the year. Supporta Care continues to perform very positively and the Directors believe that it has excellent opportunities for growth. We will continue to monitor the development of Supporta Professional Services and is confident that 2008/09 will be a year of positive growth.

Core Values

We aspire to be both the supplier and the employer of choice for our customers and employees. These core values underpin our entire business.

Supporta now has an impressive list of customers, predominantly in the public sector. We provide a range of critical services which enhance peoples' lives on a daily basis. We acknowledge this burden of responsibility and accountability and strive to put in place quality controls to ensure that every customer's experience of Supporta is both positive and mutually rewarding. The Board regularly receives reports on customer satisfaction and customer feedback, reflecting the importance which it attaches to meeting and exceeding their expectations.

To be the employer of choice we need a highly professional, trained and motivated workforce. We aim to reward staff competitively for the roles they undertake. We also realise that for many of our staff their roles are vocations rather than simply jobs. We aim to enrich their work life through training and development which helps them meet their aspirations and also improves the quality of our services. We monitor feedback from staff and seek ways in which their working lives can be even more rewarding.

Our staff continue to show exceptional dedication to their roles and make a huge contribution to the quality of life of many thousands of people, often some of the most vulnerable in the United Kingdom. On this note I would like to thank on behalf of the Board all Supporta staff who have helped deliver these results and customer satisfaction for the past year.

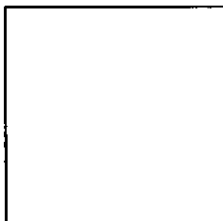
Changes to the Board

Stephen Whiting left the business on 27 November 2007 to pursue opportunities outside of the Group. Michael Curran took over the role of leading Supporta Professional Services forward and Simon Birks was appointed as Company Secretary. Simon is a qualified solicitor and takes on his new role after three years service with the Group most recently as Group Commercial Manager.

The Board of Directors has the drive and determination to achieve our ambitious strategic objectives.



Dr Clive Grace
Non-executive Chairman
23 June 2008



"During 2007/08 Supporta Care enhanced its reputation as a quality provider of domiciliary care services."

John Jasper
Group Chief Executive

Chief Executive's Statement

Strategic Review

During the course of the year the Board considered a number of strategic options for the Group. These can be broadly classified as

- Status quo
- Focus on Supporta Care
- Focus on Supporta Professional Services
- Demerger of the two divisions into two separate AIM listed companies

The Board concluded that Supporta Care had the better prospects for delivering value to shareholders. Additionally the Board acknowledged that management diversion by trying to concentrate on the delivery of such a wide range of services was likely to dilute shareholder value in the short- to medium-term.

As noted in more detail below the Group was approached by a private equity house to acquire Supporta Professional Services at an acceptable price in the summer of 2007 and conducted negotiations to an advanced stage which were ultimately unsuccessful. During this time period the credit conditions in the market were adversely affected and the impact of the underperformance of the Architectural business meant that the Group's value aspirations were unlikely to be met in the short-term. As a consequence the Board has decided to concentrate on driving value out of the existing businesses until market conditions change when the situation will be reviewed again.

Supporta Care

During 2007/08 the Directors believe that Supporta Care has enhanced its reputation as a quality provider of domiciliary care services. Our reputation for delivery of quality services has resulted in another year of solid organic growth with enhanced margins being achieved within the business.

The strategy for our Care division is to continue to grow a national brand for provision of home care services, mainly to the public sector across the UK. The Directors believe that we are well placed as the fifth largest private provider of these services to benefit from the continued consolidation of this market place, driven by increased complexity and regulation.

Care Market

There is an ageing population in the UK, within which there is a more demanding expectation on choice and quality for the delivery and support of care for the elderly, shaped towards individual need. The number of people aged 65 and over in the UK in 2006 (based on ONS data) was 8.1 million. The Government's actuary's forecasts suggest this could increase to 9.8 million by 2016. This represents an increase of approximately 21 per cent. In addition to the accelerating growth of the elderly population, life expectancy at birth is also increasing at a rate of two years every decade. As a result of these demographic trends, it is likely that a larger proportion of the population will require some form of residential or domiciliary care for a longer period of time. The Directors believe that the ageing population will be a key driver in the allocation of local authority care budgets and the demand for domiciliary care services in the foreseeable future.

The domiciliary care market remains highly fragmented with 4,735 suppliers registered in England on 31 March 2007. The top five UK quoted suppliers (including Supporta Care) account for approximately 15 per cent of the total market. In 2006, independent sector agencies delivered in excess of 75 per cent of total home care hours. The combination of independent, smaller agencies, local authorities moving towards preferred provider type arrangements, increased cost pressures and competition, and regulatory and training requirements means that in our opinion there will be a natural consolidation in the market.

The Directors believe that smaller independent domiciliary care providers will struggle to compete in delivering a cost effective, quality service whilst simultaneously retaining appropriately skilled staff and that larger independent providers however are able to offer cost effective solutions based on economies of scale and increased efficiency in their investment towards quality.

Local authority purchasing power has a major impact on the independent domiciliary care sector, it is estimated that 60 per cent of independent providers are thought to rely on local authorities for more than 75 per cent of their business, with almost 15 per cent of providers dependent on their local authority as their only customer.

** before exceptional items, goodwill amortisation and impairment*

The Board has implemented a £1.7m cost savings plan within Supporta Professional Services.

During the year the Care division has secured, renewed or extended the following contracts

Client	Term years	Type of Contract
Brighton and Hove	1	spot
Dudley	1	block
Durham PCT	1	spot
Hammersmith and Fulham	1	block
Harrow	5	cost and volume
Hertfordshire	7	block
Lambeth PCT Palliative Care	1	spot
Norfolk	1	block
North Lanarkshire	1	spot
Nottinghamshire Extra Care (Vale View)	3	block
Richmond	1	block
Stockton on Tees	3	block
Sunderland	2	spot
Surrey	2	spot
Sutton	1	block

Supporta Care's forward order book at 31 March 2008 increased by 36% to £88.9m compared to £65.2m in March 2007

We are currently working on a number of further opportunities with various local authorities and would hope to be able to communicate positively about these in the near future

Supporta Professional Services

The Board took the decision to create the Supporta Professional Services division with effect from 1 April 2007. This new division was formed from the previous Property and Services Divisions.

In November and December 2007 the board implemented a cost savings plan within the Supporta Professional Services division that is expected to save the Group approximately £1.7m on an annualised basis. The implementation of this significant cost

saving initiative had a £0.8m positive impact on this current financial year's results. Of the £1.7m savings approximately £0.5m of this relates to the Architectural business. The Board delayed making these savings whilst an approach for the Supporta Professional Services division from a private equity house was being considered. These negotiations, despite being at an advanced stage, did not result in a successful disposal. Subsequent restructuring led to the departure of the Managing Director of the Supporta Professional Services division and the Managing Director, Chief Architect and Financial Controller of the Architectural practice.

Michael Curran was appointed Managing Director of the Supporta Professional Services Division on 27 November 2007. Since then he has conducted a full review of the Division's activities and prospects. Following this review we decided to organise the division into two principal units, Supporta TerraQuest headed up by John Gannon and Supporta Services headed up by John Fynn. Supporta TerraQuest is now responsible for the Division's management consultancy and Business Process Outsourcing activities. Supporta Services has four principal trading units: Architecture, Engineering, Healthcare and Records Management.

The 2007/08 revenue and operating profit before share-based payment charge, amortisation and exceptional items for each of these units is set out in the following table:

	Revenue £'000	Operating Profit*
Supporta TerraQuest	8,398	2,426
Supporta Services		
Architecture	2,198	(6)
Engineering	2,435	534
Healthcare	1,813	380
Records Management	2,169	586
	8,615	1,494
Overheads	-	(1,799)
Supporta Professional Services	17,013	2,121

Chief Executive's Statement *continued*

The focus for the Division during the course of the next financial year will be to improve sales performance and secure longer term contracts. The Directors believe that this should begin to reduce the risk in the Division as currently we enter the financial year with approximately two thirds of our forecast income for the year unsecured

The focus on sales performance is already beginning to yield benefits. We have secured a number of contracts recently which should help to improve the prospects for the division

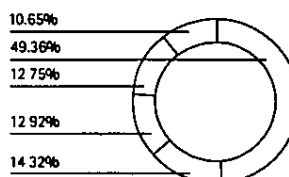
- Supporta TerraQuest relationship with BT extended to include Local Government.
- Appointed by Transport for London to mapping services framework for Property Asset Register
- Secured a place on the Geographic Information Services and Solutions (GISS) Catalyst Framework agreement with OGCBuying.solutions
- Award of a contract by Cross London Rail Links to provide Land Referencing and Property Information Management Services.
- Award of a contract by Cross London Rail Links to provide a web based Property Register as a hosted service
- Appointed by Taylor Wimpey to provide a web-based Strategic Land Database as a hosted service
- Appointed by Department for Transport to undertake a property recording review across the department, including all Executive Agencies and Non-Departmental Public Bodies.

The forward order book for Professional Services is £6.5m (2007 £8.1m), with additional anticipated revenues from framework agreements of £12.3m (2007 £8.0m)

The management of Supporta has further identified synergies and cross-selling opportunities for the Division, which it anticipates will lead to further organic growth in 2008/09 and beyond

John Jasper
Group Chief Executive
23 June 2008

Supporta Professional Services Revenue

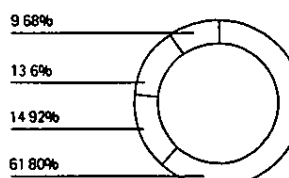


☐ Supporta TerraQuest

Supporta Services

- ☐ Civil & Structural Engineering
- ☐ Architecture
- ☐ Document Solutions
- ☐ Healthcare Consultancy

Supporta Professional Services Operating Profit



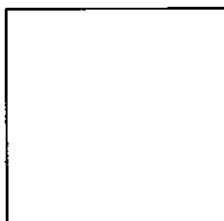
☐ Supporta TerraQuest

Supporta Services

- ☐ Document Solutions
- ☐ Civil & Structural Engineering
- ☐ Healthcare Consultancy

* before allocation of central overhead

* before share-based payment charge, amortisation and exceptional items.



"This year's annual report uses the principles of International Financial Reporting Standards for the first time."

Darren Xiberras
Group Finance Director

Finance Director's Report

This year's annual report presents the Group's results for the first time using the recognition and measurement principles of International Financial Reporting Standards (IFRS) as adopted by the European Union. A reconciliation of the results between UK and IFRS financial reporting standards (UK GAAP) is set out on pages 61 to 66.

The Group's accounting policies under IFRS are set out in more detail on pages 28 to 35.

The Group's overall results from continuing operations for the year ended 31 March 2008 and percentage change from year ended 31 March 2007 show

Revenue	£50.76m	+19%
Operating profit	£1.02m	+169%
Operating profit margin	2.0%	+158%
Loss before tax from continuing operations	(£0.37m)	+85%
Cash generated from operations	£1.90m	-45%
Loss per share from continuing operations	(0.91p)	+75%

Revenue

In 2008 Group revenue from continuing operations increased by 19% to £50.76m (2007: £42.71m). Growth has been generated both from acquisitions and from underlying organic revenue growth of 1%. The acquisitions contributing to growth in 2008 include the full year effect from Datacare Business Systems Limited, Bay Associates Limited and TerraQuest Solutions Limited acquired in the previous year. Additionally, the Hallam Healthcare (East Midlands) Limited acquisition completed during the year.

The disposal of Supporta's Payroll business completed on 4 May 2007 and consequently the results presented here do not include any contribution from that business.

Operating profit

The Group's operating profit before share-based payment charge, amortisation and exceptional items profit from continuing operations increased by 14% to £4.03m (2007: £3.53m), including £0.14m from the Hallam Healthcare acquisition.

The Group incurred a number of exceptional charges during the year, relating principally to the write-off of accrued revenue in Architecture, restructuring of the business and redundancy which are summarised in note 4 to the financial statements.

During the course of the year it became apparent that £0.77m of accrued revenue which had been recognised in 2006/07 was not recoverable. This arose from a policy in the business to recognise revenue where work had taken place but no order had been secured. We have taken a more prudent approach to income recognition in this financial year and only revenue in relation to Prison Service work is now recognised in this manner, which historically has been collectable.

Taxation

Corporation tax of £0.28m (2007: credit of £0.16m) has been provided for, which is equivalent to an effective tax rate of -7.4% (2007: 6%). This charge and high apparent effective tax rate is impacted by a number of disallowable items including share-based payment charge, amortisation and timing differences.

Earnings per share

Adjusted earnings per share* reduced by 30% to 2.66p (2007: 3.78p).

The reported loss after taxation for the year was £1.59m (2007: loss of £6.06m) which equates to a loss per share for the year of 2.24p (2007: loss of 9.40p).

Cash flow

Net cash outflow for the Group in the year was £1.78m compared to an outflow in 2007 of £1.75m.

Cash inflow from operating activities reduced by 45% to £1.90m in the year (2007: £3.43m inflow). This was driven by financing the Group's growth in the final quarter of the year and settling creditors carried over from the previous year. Financing activities raised £4.01m in the year (2007: £8.70m), of which £5.26m (net of expenses) came from new share issues, £2.76m from the drawdown of banking facilities offset by loan repayments of £3.10m and a repayment of loan notes amounting to £0.89m. The net cash outflow from investing activities was £5.42m (2007: £12.34m).

* before share-based payment charge, amortisation and exceptional items

Finance Director's Report *continued*

Treasury management and financial instruments

Financial instruments include all assets and liabilities of a financial nature such as cash, loans, finance leases, overdrafts and long-term liabilities. All such instruments play an important part in the operations of the Group to enable it to operate smoothly and effectively and to pay its obligations as they fall due. They also enable the Group to fulfill its investment strategy including making appropriate acquisitions. The Group's objectives are twofold: to use financial instruments to minimise the cost of capital at an acceptably low financial risk, and to maximise flexibility to take advantage of investment and acquisition opportunities as they arise.

The Group is primarily a UK provider of outsourced services to the public sector and does not have significant foreign exchange risks.

In March 2008 the Group renegotiated its banking facilities with Barclays PLC in order to give it greater headroom in relation to its covenants and to reduce the repayments due under its term loans.

At the end of the year the Group had net borrowings of £17.40m.

The Group's policy is, and has been throughout the year, that no trading in financial instruments is undertaken.

The volatility in 3 month LIBOR, the basis for interest charging for the Group's floating debt has impacted adversely the level of interest incurred through this year's consolidated income statement.

The Group entered into a hedging arrangement in May 2008 to fix the remainder of the Group's current term debt at a fixed rate of 5.445% for four years. The Group's current margin applicable over and above the fixed rate is 2.5% increasing to 3.0% in September 2008 which then reduces as the ratio of net debt to earnings before interest tax and amortisation falls.

Risks

Supporta has identified the five most significant operational risks faced by the business - and measures to counterbalance them - as follows:

- **Staff recruitment and retention** – our business needs access to appropriately skilled employees to enable us to grow in a sustainable fashion. We have implemented our Employer of Choice initiative to mitigate this risk. In addition to progress already made on training and development, we will continue to review our remuneration and employment policies to ensure we can maintain good staff retention within our businesses.
- **Quality failure** – the business provides life critical services to many thousands of people in the UK, in often complex and challenging situations. Within our businesses, as part of our Supplier of Choice initiative we have implemented best practice procedures and manuals, health and safety working practices, customer service initiatives and relationship management procedures. These are regularly reinforced through staff training and development. During the year we intend to invest significantly in our Care operational IT systems to further strengthen our commitment to quality. The operational management team meets regularly to review operational quality issues and items of a significant nature are reported to the Board on a regular basis.
- **Long-term contracts** – a number of our subsidiaries enter into long-term contracts. These involve significant elements of subjectivity in relation to revenue recognition and can be subject to delays as a result of external factors, for instance planning permission. We will implement improved controls over the course of the year to ensure that rigour is applied in areas requiring judgment. We will also continue regular client progress review meetings to ensure that visibility of future earnings are based upon the best possible information.

Operating Profit improved by 174% to £1.1m.

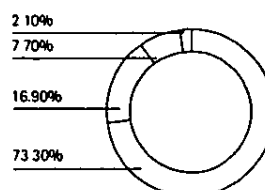
- **Uncontracted revenue** – some of our businesses within the Supporta Professional Services division commence work prior to the receipt of a signed order from customers. Such work is recognised within accrued income. Our experience of dealing with these customers shows that there is limited risk in relation to recovering such income, however the Board will continue to monitor the appropriateness of this practice and policy.
- **Exposure to UK property sector** – a large part of our Professional Services Division's revenue is derived from the UK property sector. Approximately 36% of Divisional revenues are derived from the private sector property industry. Whilst in recent history this has been an area of significant economic activity, the current slow-down in this sector will inevitably impact on our activity in this area. Alongside this private sector exposure we also run a significant element of work on behalf of the public sector and we aim to shift resources into this sector as economic activity in the private sector slows. However we will continue to monitor the resourcing levels of the affected businesses and flex them appropriately.



Darren Xiberras

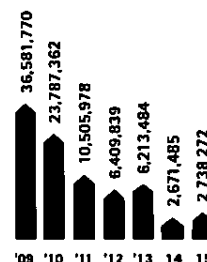
Group Finance Director
23 June 2008

Supporta Care Service Provision

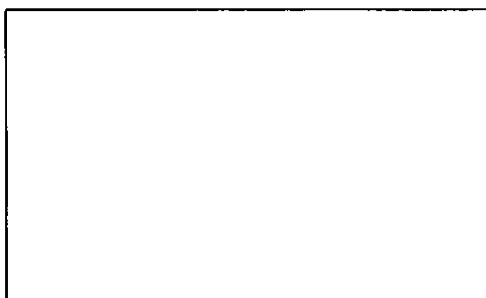


- ☐ Elderly
- ☐ Specialist
- ☐ Private Patients
- ☐ Agency

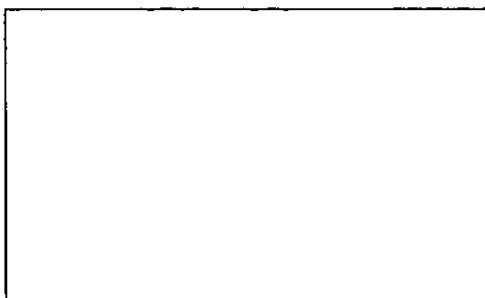
Supporta Care Order Book



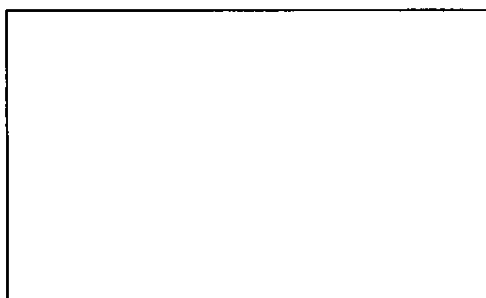
Board of Directors



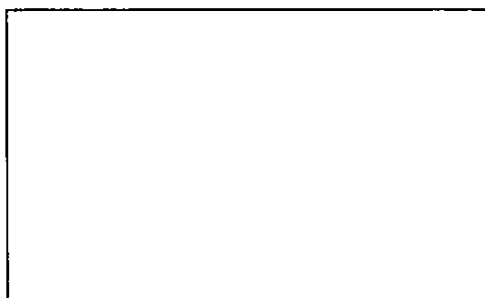
Dr Clive Grace
Non-executive Chairman



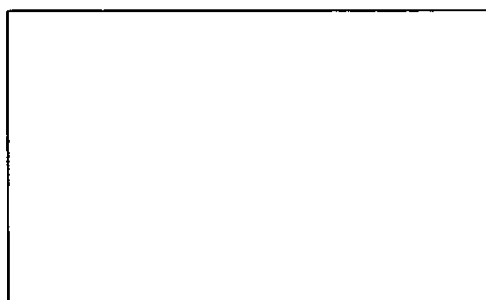
Bernadette Walsh
Managing Director, Supporta Care



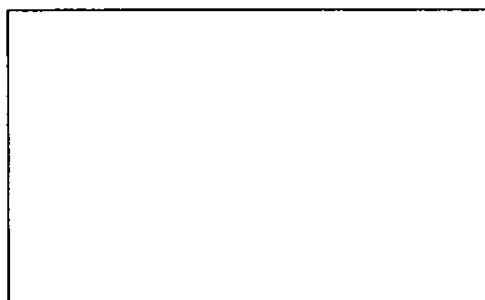
John Jasper
Group Chief Executive



Michael Curran
Managing Director, Supporta Professional Services



Darren Xiberras
Group Finance Director



Nick Scholte
Non-executive Director

Dr. Clive Grace

Non-executive Chairman

Clive is an Honorary Research Fellow at Cardiff Business School, where he researches financial reporting, public services, leadership and governance. He is a well-respected consultant and leadership coach, with a wealth of public services improvement experience.

Chair of the Board of the Solace Foundation Imprint, Clive is also an active Member of CIPFA and serves on its Council and Management Committee.

He has held a number of senior executive positions in the public sector, most recently as Deputy Auditor General for Wales and Director General of the Audit Commission for Wales. He holds a DPhil from Oxford University in Law and Sociology, an MA in Government from the University of California, and a Diploma in Business Administration from the Open University.

Clive is also a qualified solicitor.

John Jasper

Group Chief Executive

John is a pioneer of outsourced services, with vast experience in the sector and a clear vision of the future.

He was a member of the Capita Group Board for six years, and subsequently in the role of Group Chief Executive Officer established HBS (formerly Hyder Business Services), a Company which is now a leading provider of outsourced services to the public sector.

Since joining Supporta in August 2004, John has transformed the Group into a fast growing and profitable organisation.

John is also a fellow of the British Computer Society.

Darren Xiberras

Group Finance Director

Darren is a Chartered Certified Accountant, a graduate of the Advanced Development Programme of Cranfield University's School of Management and holds a Bachelor's degree in Economics from Cardiff University.

Darren has extensive financial management experience with fast-growing companies in the support services sector, including operational financial management, business acquisitions and disposals, acquisition integration, system implementations, public private partnership contract negotiations and management, sales support and pricing of large outsourcing contracts.

Prior to joining Supporta, he held the roles of Divisional Finance Director at Tribal Education Limited, a subsidiary of the Tribal Group plc, and Regional Finance Director of HBS Business Services Limited, where he was responsible for business units with up to £75m annual turnover. He trained as an accountant within the utilities industry.

Bernadette Walsh

Managing Director, Supporta Care

Bernadette has over twenty two years' experience in the delivery of outsourced homecare services and solutions to the public sector. She has an outstanding reputation and an excellent track record with local authorities in providing very high standards of service. Prior to her appointment as Managing Director of Supporta Care, Bernadette was MD of Medico – one of the social care brands within Nestor plc and a Director of Grosvenor Nursing Ltd.

Michael Curran

Managing Director, Supporta Professional Services

Michael has a wealth of experience in delivering outsourced managed services to the public sector. A founding Director of the Parys Snowden Group, he brings over eighteen years' experience as a service provider to the NHS.

Before his appointment as Managing Director, Supporta Professional Services Michael was Deputy Chief Executive, Chief Operating Officer for the Group businesses, and prior to that was Managing Director of the Supporta Services Division, which now forms part of Supporta Professional Services.

Nick Scholte

Non-executive Director

Nick is Chief Executive of the NHS Business Services Authority (NHS BSA), which provides a wide range of key support services to NHS contractors, managers and users. It was formed in April 2006, out of the merger of the NHS Prescription Pricing Authority, Dental Practice Board, NHS Pensions Authority, NHS Logistics Authority and the NHS Counter Fraud & Security Management Service.

Nick is one of the most highly regarded senior officers in the NHS, and has considerable experience of reorganising and restructuring high-volume transaction processing businesses.

Directors' Report

The Directors present their report together with financial statements for the year ended 31 March 2008

PRINCIPAL ACTIVITIES

The principal activities of the Group are the provision of outsourcing services to the public sector

The principal activity of the Company is to act as a holding Company

BUSINESS REVIEW

There was a loss for the year after taxation amounting to £1.59m (2007: £6.06m). The Directors do not recommend payment of a dividend (2007: Nil). Principal business risks are discussed on page 14. A detailed review can be found in the Chief Executive's Statement set out on pages 10 to 12.

DIRECTORS

The membership of the board during the year and subsequently is set out below

	Appointed	Resigned
C Grace	-	-
J Jasper	-	-
M Curran	-	-
D Xiberras	23 May 2007	-
B Walsh	1 June 2007	-
S Whiting	1 June 2007	27 November 2007
N Scholte	-	-
D Jackson	-	23 May 2007

The annual base salaries and beneficial interests of the Directors in the shares of the Company at 1 April 2007 and 31 March 2008 (or the date of appointment to the board if later) were as follows

	Annual Base Salary		Ordinary shares	
	31 March 2008 £	01 April 2007 (or date of appointment if later) £	31 March 2008 No	1 April 2007 No
C Grace	50,000	30,000	100,000	30,000
J Jasper	175,000	175,000	400,000	351,728
M Curran	100,000	100,000	2,963,680	3,853,680
D Xiberras	100,000	100,000	10,000	-
B Walsh	100,000	100,000	10,000	-
N Scholte	20,000	20,000	-	-
S Whiting	-	100,000	n/a	-
D Jackson	-	100,000	n/a	-

No bonuses were payable to Directors for the year (2007: nil)

Directors' Report *continued*

The share options of the Directors were as follows

	31 March 2008							31 March 2008						
Exercise Price (p)	40 0	59 5	62 5	63 0	71 5	89 5	40 0	59 5	62 5	63 0	71 5	82 5	89 5	
C Grace														
J Jasper	250,000	4,077,373					250,000	2,705,804						
M Curran		250,000				132,999		250,000					86,666	
D Xiberras				150,000		100,000							100,000	
B Walsh					250,000						250,000			
N Scholte														
S Padgett								250,000			36,750		333,333	
S Whiting											200,000	50,000		
D Jackson													250,000	

On 31 March 2008, J Jasper was granted share options to take the cumulative share options to 5% of the issued share capital under an agreement dated 10 August 2004. The option price of the share options is equal to the average of the mid market price of a share over the 10 dealing days ending on 31 March 2005. This resulted in the granting of 1,371,569 share options at 59 5p.

On 31 March 2008, M Curran was granted 44,333 share options under the terms of an agreement dated 12 February 2006 between the Company and M Curran. These options were granted at a price of 89 5p.

On 26 June 2007, D Xiberras was granted 150,000 share options under the terms of an agreement dated 7 June 2007. These options were granted at a price of 63 0p.

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 to prepare consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs) and parent Company financial statements under United Kingdom Generally Accepted Accounting Practice (UK GAAP). The financial statements are required by law to give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)

In so far as each of the Directors is aware

- there is no relevant audit information of which the Group'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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

EMPLOYEE INVOLVEMENT

The Group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the Group

This is achieved through consultations with employee representatives.

DISABLED EMPLOYEES

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to accommodate their requirements and disabilities in order that their employment with the Group may continue

It is the policy of the Group that training, career development and promotion opportunities should be available to all employees.

PAYMENT POLICY AND PRACTICE

It is the Group's policy to settle the terms of payment with suppliers when agreeing the terms of the transaction, to ensure that suppliers are aware of these terms and abide by them. Trade creditors at the year end amount to 88 days (2007 66 days) of average supplies for the year

CHARITABLE DONATIONS

The Group made no charitable donations in the year (2007 nil)

CREST

Supporta plc share dealings have been settled on CREST since the admission of the ordinary shares to AIM. CREST is the computerised system for the settlement of share dealings on the London Stock Exchange. It reduces the amount of documentation required and also makes the trading of shares faster and more secure. CREST enables shares to be held in electronic form instead of the traditional share certificates. CREST is voluntary, and shareholders can keep their share certificates if they wish. This may be especially preferable for shareholders who do not trade frequently.

AUDITORS

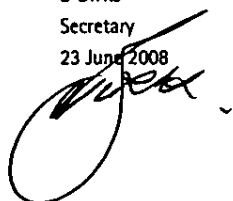
Grant Thornton UK LLP offer themselves for reappointment as auditor in accordance with section 385 of the Companies Act 1985

BY ORDER OF THE BOARD

S Birks

Secretary

23 June 2008



Corporate Governance Statement

INTRODUCTION

Supporta PLC is an AIM Listed Company and while the AIM rules do not require the Group to comply with any specific corporate governance principles, the Group adopts generally accepted corporate governance good practice wherever size and resources permit.

THE BOARD OF DIRECTORS

The Group supports the concept of an effective Board leading and controlling the Group. The Board is responsible for approving Group policy and strategy. It meets periodically and has a schedule of matters specifically reserved to it for decision. Management supplies the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary.

The current Board consists of five executive Directors and two Non-executive Directors. The Non-executive Directors are independent of management and any business or other relationship which could interfere with the exercise of their independent judgment. The Non-executive Directors provide a strong independent element on the Board and bring experience at a senior level to business operations and strategy. The Non-executive Chairman of the Board is Dr C Grace and the Group Chief Executive is J Jasper.

RELATIONS WITH SHAREHOLDERS

The Group values the views of its shareholders and recognises their interest in the Group's strategy and performance, Board membership and quality of management. It therefore holds regular meetings and presentations to its institutional shareholders to discuss objectives.

The Annual General Meeting (AGM) is used to communicate with private investors and they are encouraged to participate. The Chairman of the Audit and Remuneration Committees is available to answer questions. Separate resolutions are proposed on each issue so that they can be given proper consideration and there is a resolution to approve the annual report and accounts. The Company counts all proxy votes and will indicate the level of proxies lodged on each resolution, after it has been dealt with by a show of hands.

ACCOUNTABILITY AND AUDIT

The Board seeks to present a balanced and understandable assessment of the Group position and prospects in all interim and price-sensitive reports, reports to regulators and in the information required to be presented by statute.

The Audit Committee comprises Dr C Grace and N Scholte who are Non-executive Directors. The terms of reference of the Committee include keeping under review the scope and results of the external audit and its cost effectiveness. The Committee reviews the independence and objectivity of the external auditors. This includes reviewing the nature and extent of non-audit services supplied by the external auditor to the Group, seeking to balance objectivity and value for money.

INTERNAL CONTROL

The Board of Directors has overall responsibility for the Group's system of internal control and for reviewing its effectiveness. The risk management process and systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Group's objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss.

ASSESSMENT OF BUSINESS RISK

A system of business risk identification, assessment, and evaluation is in place within the management process throughout the Group. Strategic risks are regularly reviewed by the Board. Risks relating to the key activities within the subsidiary operating units are assessed continuously.

Corporate Governance Statement *continued*

CONTROL ENVIRONMENT

The Group's operating procedures include a comprehensive system for reporting financial and non-financial information to the Board, including

- preparation of 3-year strategy plans for business development,
- preparation and review of annual budgets,
- review of the business at each Board meeting, focusing on any new risks arising (for example key changes in the market)

CONTROL PROCEDURES

Detailed operational procedures have been developed for each of the Group's operating businesses that embody key controls. The implications of changes in law and regulations are taken into account within these procedures.

MONITORING PROCESSES

There are clear procedures for monitoring the system of key controls. The most significant component is a review by the Audit Committee of the process for identifying and assessing risks and the effectiveness of controls.

The Board has considered the need for an internal audit function but has decided that this is not justified at present. However, it will keep the decision under review on at least an annual basis.

GOING CONCERN

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS' REMUNERATION

The Board recognises that Directors' remuneration is of legitimate concern to the shareholders and is committed to following current best practice. The particulars of the remuneration of the Directors and their interests are set out in the Directors' Report. The Remuneration Committee comprises Dr C Grace and N Scholte.

Report of the Independent Auditors'

to the members of Supporta PLC

We have audited the consolidated financial statements of Supporta Plc for the year ended 31 March 2008 which comprise the principal accounting policies, the consolidated income statement, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in shareholders' equity, the consolidated statement of recognised income and expense and notes 1 to 37. These consolidated financial statements have been prepared under the accounting policies set out therein.

We have reported separately on the parent Company financial statements of Supporta Plc for the year ended 31 March 2008.

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 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 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 Annual Report and the Group financial statements in accordance with United Kingdom law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the Group 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 Group financial statements give a true and fair view and whether the Group financial statements have been 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. The information given in the Directors' Report includes that specific information presented in the Business Review that is cross referred from the Business Review section of the Directors' Report.

In addition we report to you if, in our opinion, 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 other information contained in the Annual Report and consider whether it is consistent with the audited Group financial statements. The other information comprises only the Directors' Report, the Chairman's Statement, the Chief Executive's Report, the Financial Director's Report, and the Corporate Governance Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Group financial statements. Our responsibilities do not extend to any other information.

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 Group financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the Group financial statements, and of whether the accounting policies are appropriate to the Group'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 Group 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 Group financial statements.

OPINION

In our opinion:

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Group's affairs as at 31 March 2008 and of its loss for the year then ended,
- the Group 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.


GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS

OXFORD

23 June 2008

Consolidated Income Statement
for the year ended 31 March 2008

	Notes	2008 £'000	2007 £'000
CONTINUING OPERATIONS			
Revenue		50,763	42,708
Cost of sales		(36,793)	(31,180)
GROSS PROFIT		13,970	11,528
Administrative expenses before share based payment charge, amortisation and exceptional items		(9,943)	(7,994)
OPERATING PROFIT BEFORE SHARE-BASED PAYMENT CHARGE, AMORTISATION AND EXCEPTIONAL ITEMS		4,027	3,534
Share-based payment charge amortisation and exceptional items	4	(3,004)	(5,008)
OPERATING PROFIT/(LOSS)	3	1,023	(1,474)
Finance income	5	484	403
Finance costs	5	(1,880)	(1,463)
LOSS BEFORE TAXATION		(373)	(2,534)
Taxation	7	(277)	161
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS		(650)	(2,373)
DISCONTINUED OPERATIONS			
Loss for the year from discontinued operations	8	(942)	(3,691)
LOSS FOR THE YEAR ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT		(1,592)	(6,064)
LOSS PER SHARE			
From continuing and discontinuing operations	9		
– basic		(2.24)p	(9.40)p
– diluted		(2.24)p	(9.40)p
LOSS PER SHARE			
Loss From continuing operations	9		
– basic		(0.91)p	(3.68)p
– diluted		(0.91)p	(3.68)p

Consolidated Statement of Recognised Income and Expense
for the year ended 31 March 2008

	Notes	2008 £'000	2007 £'000
LOSS FOR THE YEAR		(1 592)	(6,064)
Actuarial gain/(loss) on defined benefit scheme	25	487	(238)
Deferred tax on actuarial loss	23	(143)	-
Fair value (losses)/gains on cash flow hedges		(87)	112
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR		(1,335)	(6,190)
ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT		(1,335)	(6,190)

Consolidated Balance Sheet
for the year ended 31 March 2008

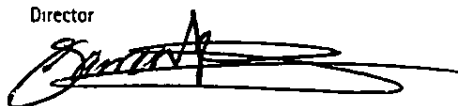
	Notes	2008 £'000	2007 £'000
NON-CURRENT ASSETS			
Goodwill	11	43,852	40,375
Other intangible assets	12	3,071	2,922
Property, plant and equipment	13	975	877
Deferred tax asset	23	891	1,097
Derivative financial instruments		22	109
		48,811	45,380
CURRENT ASSETS			
Trade and other receivables	15	12,956	12,895
Cash and cash equivalents	16	52	1,828
		13,008	14,723
Non-current assets classified as held for sale	8	185	3,401
TOTAL ASSETS		62,004	63,504
CURRENT LIABILITIES			
Financial liabilities	18	(7,795)	(9,757)
Trade and other payables	17	(8,012)	(7,957)
Current tax liabilities		(696)	(934)
Provisions	24	(150)	(150)
		(16,653)	(18,798)
NON-CURRENT LIABILITIES			
Financial liabilities	19	(12,280)	(15,231)
Provisions	24	(172)	(314)
Deferred tax liabilities	23	(817)	(790)
Retirement benefit obligations	25	(3,181)	(3,657)
		(16,450)	(19,992)
TOTAL LIABILITIES		(33,103)	(38,790)
NET ASSETS		28,901	24,714
EQUITY			
Share capital	34	4,077	3,370
Share premium	34	34,873	30,320
Share-based payment reserve	34	637	375
Retained losses	34	(10,708)	(9,460)
Hedging reserve	34	22	109
		28,901	24,714

The financial statements were approved by the Board of Directors on 23 June 2008

J Jasper
Director



D Xiberras
Director



The accompanying accounting policies and notes form an integral part of these financial statements

Consolidated Cashflow Statement
for the year ended 31 March 2008

	Notes	2008 £'000	2007 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	35	1,898	3,434
Finance income		75	44
Finance costs		(1,383)	(1,014)
Income taxes		(952)	(579)
NET CASH (OUT)/IN FLOWS FROM OPERATING ACTIVITIES		(362)	1,885
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of subsidiary net of cash acquired	28	(3,683)	(7,191)
Purchase of property, plant and equipment and intangibles		(887)	(608)
Proceeds from sale of property, plant and equipment		97	186
Proceeds from sale of subsidiary	29	3,515	0
Payments in respect of previous acquisitions		(4,462)	(4,723)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(5,420)	(12,336)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		5,260	40
(Repayments)/Proceeds of long-term borrowings		(335)	7,167
Increase in overdraft		4	1,995
Payment of finance lease liabilities		(35)	(67)
Reduction in loan note		(888)	(435)
NET CASH FLOWS FROM FINANCING ACTIVITIES		4,006	8,700
NET DECREASE IN CASH AND CASH EQUIVALENTS		(1,776)	(1,751)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	16	1,828	3,579
CASH AND CASH EQUIVALENTS AT END OF YEAR	16	52	1,828

Accounting Policies

GENERAL INFORMATION

Supporta plc is a public limited Company ('Company') incorporated in the United Kingdom, whose shares are publicly traded on the Alternative Investment Market (AIM). The Company is domiciled in the United Kingdom and its registered address is 3 Kingmaker Court, Warwick Technology Park, Warwick, CV34 6UT, United Kingdom.

The Group's principal activities are the provision of outsourcing services to the public sector. These services are typically provided under long term contracts or framework agreements, with shorter term consultancy assignments being delivered under letters of engagement. Our Supporta Care Division specialises in the provision of domiciliary care services which are designed to help people live independently in their own homes. The Supporta Professional Services division delivers Architecture, Business Process Outsourcing, Engineering, Land & property Consultancy & Records Management services.

BASIS OF ACCOUNTING

The financial statements comply with EU adopted International Financial Reporting Standards (IFRS). The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements and in preparing an opening IFRS balance sheet at 1 April 2006 for the purposes of the transition to IFRS.

BASIS OF PREPARATION

For all years to 31 March 2007, the Group prepared its audited financial statements under UK Generally Accepted Accounting Principles (UK GAAP). For the year ending 31 March 2008 the Group is required to prepare its annual consolidated financial statements in accordance with accounting standards adopted for use in the European Union International Financial Reporting Standards (IFRS).

These financial statements have been prepared in accordance with the accounting policies set out below, taking into account the requirements and options in IFRS 1 'First-time adoption of International Financial Reporting Standards'. The transition date for the Group's application of IFRS is 1 April 2006 and the comparative figures for 31 March 2007 have been restated accordingly. Reconciliations of the income statement (previously profit and loss account) and balance sheet from previously reported UK GAAP to IFRS are shown in note 36.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of Supporta plc and all of its subsidiary undertakings for the year, made up to 31 March each year.

In preparing the consolidated financial statements, any intra-group balances, unrealised gains and losses or income and expenses arising from intra-group trading are eliminated. Where accounting policies used in individual financial statements of a subsidiary Company differ from Group policies, adjustments are made to bring these policies in line with Group policies.

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies to obtain economic benefit to the Group. Subsidiary companies acquired during the year are consolidated using the purchase method. The results of subsidiary companies acquired are included in the consolidated income statement from the effective date of acquisition.

The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date.

The excess of cost of acquisition over the fair values of the Group's share of identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair value of identifiable net assets acquired (i.e. discount on acquisition) is recognised directly in the income statement.

Unrealised gains on transactions between Group and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

TRANSITION TO IFRS

IFRS 1 grants certain exemptions from the full requirements of IFRSs in the transition period. The following exemptions have been taken in these consolidated financial statements:

(i) IFRS 3 – Business combinations

The Group has elected not to apply IFRS 3 'Business Combinations' retrospectively to acquisitions that took place prior to 1 April 2006. As a result, the carrying amount of goodwill in the UK GAAP balance sheet at 31 March 2006 is brought forward to the IFRS opening balance sheet without adjustment.

Accounting Policies *continued*

TRANSITION TO IFRS (continued)

(ii) IAS 19 – Employee benefits – actuarial gains and losses

The Group has elected to recognise all cumulative actuarial gains and losses to 1 April 2006 for all defined benefit pension schemes.

(iii) IFRS 2 – Share-based payment

IFRS 2 has not been applied to share-based payments granted before 7 November 2002 nor those granted after 7 November 2002 that had vested prior to 1 April 2006. The Group has adopted IFRS 2 'Share Based Payment' for share options granted after 7 November 2002 which had not vested at 1 April 2005. The adoption of IFRS 2 has not required numerical adjustments to be made to the balance sheet at 1 April 2006 or to the income statement for the year ended 31 March 2007.

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

REVENUE RECOGNITION

Group revenue is the fair value of the consideration received or receivable by the Group for goods supplied and services provided, excluding VAT and trade discounts.

Revenue generated in Supporta Care is attributable to the provision of both home care services and qualified social care staff, primarily to local authorities.

Revenue generated by Supporta Professional Services is attributable to the provision of architectural and engineering consultancy services primarily to Registered Social Landlords and the Home Office, and on business process outsourcing and consultancy.

Where services are provided on annual contracts, revenue is spread evenly over the duration of the contract. Where annual contracts do not apply then revenue is recognised at fair value by reference to the estimated percentage of completion of the provision of services.

Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

EXCEPTIONAL ITEMS

Exceptional items are disclosed where these are material and considered necessary to explain the underlying financial performance of the Group. They are either one off in nature or necessary elements of expenditure to derive future benefits for the Group which have not been capitalised in the balance sheet.

SEGMENTAL REPORTING

A business segment is a group of assets and operations that provide a product or service and that is subject to risks and returns that are different from other business segments.

FINANCE COSTS

Finance costs comprise interest payable, net foreign exchange losses, and finance charges on finance leases. Interest payable is recognised in the income statement as it accrues using the effective interest method.

INTANGIBLE ASSETS

Intangible assets purchased separately from a business are capitalised at their cost.

Customer related intangibles

The Group makes an assessment of the fair value of intangible assets arising on business combinations. An intangible asset will be recognised as long as the asset is identifiable and its fair value can be measured reliably. Amortisation is provided on the fair value of the asset and is calculated on a straight line basis over its useful life, the range of which is between one and nine years.

Accounting Policies *continued*

INTANGIBLE ASSETS (continued)

Goodwill

Goodwill on acquisitions being the excess of the fair value of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities acquired is capitalised and tested for impairment on an annual basis. There is no restatement of goodwill that was amortised prior to transition to IFRS. Goodwill previously written off to reserves is not written back to profit or loss on subsequent disposal.

Computer software costs

Expenditure on the development of new software products is charged to the income statement in the year in which it is incurred with the exception of expenditure on the development of certain new product projects where the outcome of those projects is assessed as being reasonably certain as regards viability and technical feasibility. Such expenditure is capitalised and amortised over a period not longer than three years following the completion of the product project.

Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset. This is then capitalised on the basis of costs incurred to acquire and bring to use the specific software. Amortisation is provided by equal annual instalments over its expected useful life of 3 years, down to its residual value.

Computer software licences capitalised are amortised by equal annual instalments over their expected useful life of 3 years, down to their residual values.

PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment assets are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost less residual value of assets over their estimated useful economic lives. The range of estimated useful lives for each major asset category, which are reviewed annually, are:

Leasehold property	-	Term of the lease
Freehold property	-	over 50 years
Office equipment, fixtures and fittings (including computer equipment) and motor vehicles	-	3 to 8 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

IMPAIRMENT OF ASSETS

At each balance sheet date the Group reviews the carrying value of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairments when they arise are shown in share-based payment charge, amortisation and exceptional items line of the Consolidated Income Statement and are disclosed further in note 4 to the financial statements.

Impairment is determined for goodwill by assessing the recoverable amount of the cash generating unit (or group of cash generating units) to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than the carrying amount of the cash generating unit to which goodwill has been allocated, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Goodwill was tested for impairment at 1 April 2006, the date of transition to IFRS, even though no indication of impairment existed.

Where the asset does not generate cash flows that are independent from other assets the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Accounting Policies *continued*

IMPAIRMENT OF ASSETS (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of future cash flows have not been adjusted. Any resulting changes are recognised in the income statement in the period to which they relate.

Except in the case of goodwill, an impairment loss is only reversed if there is a subsequent increase in the recoverable amount that can be related objectively to an event occurring after the impairment loss was recognised. An impairment loss in respect of goodwill is not subsequently reversed.

Impairment losses are shown in the share-based payment charge, amortisation and exceptional items line of the Consolidated Income Statement.

LEASING

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the Group. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability is to be included in the balance sheet as a finance lease obligation. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the income statement over the period of the lease.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight line basis over the lease term.

BORROWING COSTS

Borrowing costs are recognised as an expense when incurred in accordance with the benchmark accounting treatment under IAS 23.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense.

The income tax payable is based on an estimation of the amount due on the taxable profit for the year. Taxable profit is different from net profit as reported in the income statement because it excludes items of income or expenditure which are not taxable or deductible in the year as a result of either the nature of the item or the fact that it is taxable or deductible in another period. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is accounted for on the basis of temporary differences arising from the differences between the tax base and accounting base of assets and liabilities.

Deferred tax is recognised for all taxable temporary differences, except to the extent where it arises from the initial recognition of an asset or liability in a transaction that is not a business combination. Deferred tax is not provided for on the initial recognition of goodwill. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised.

Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case it is dealt with within equity. It is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

FINANCIAL INSTRUMENTS

Financial assets or liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Classification of financial instruments

Financial instruments are classified as financial assets, financial liabilities or equity instruments.

FINANCIAL INSTRUMENTS (continued)

Classification of financial instruments (continued)

Following the adoption of IAS 32, financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions

- They include no contractual obligations upon the Group to deliver cash or other financial assets that are potentially unfavourable to the Group, and
- Where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial instruments that are classified as equity are dividends and are recorded directly in equity. Finance payments associated with financial liabilities are dealt with as part of finance costs.

Recognition and valuation of financial assets

Trade receivables

Trade receivables are initially recorded at fair value and subsequently valued at amortised cost, less impairment.

Impairment of trade receivables is recorded if there are objective indicators that suggest that the debts are not full recoverable or that the fair value of the receivable is impaired at the balance sheet date.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at bank. Cash and cash equivalents excludes overdrafts.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities include loan notes issued on acquisition and deferred consideration. These financial liabilities are recorded at their fair value. Finance charges are allocated to the income statement using an effective interest rate, on the outstanding carrying value of the instrument.

Bank borrowings

Interest bearing bank loans and overdrafts are recorded at their fair value and subsequently valued at amortised cost. Finance charges are allocated to the income statement using an effective interest rate, on the outstanding carrying value of the instrument.

Trade payables

Trade payables are not interest bearing and are recognised initially at fair value and thereafter at amortised cost.

Equity instruments

Equity instruments are initially measured at fair value. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Derivative financial instruments and hedge accounting

The Group's activities expose it primarily to the financial risks of changes in interest rates. The Group uses interest rate swap contracts to hedge these exposures. The Group does not use derivative financial instruments for speculative purposes.

The use of financial derivatives is governed by the Group's policies approved by the board of Directors, which provide written principles in the use of financial derivatives. The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable cash requirements and to invest cash assets safely and profitably. Interest rate risk is managed through the use of hedging arrangements.

Accounting Policies *continued*

FINANCIAL INSTRUMENTS (continued)

Recognition and valuation of financial assets (continued)

Derivative financial instruments and hedge accounting (continued)

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the income statement. If the cash flow hedge of a forecasted transaction results in the recognition of a non-financial asset or liability, then, at the same time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or liability, amounts deferred in equity are recognised in the income statements in the same period in which the hedged item affects profit or loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Hedge accounting is discontinued when the hedging instrument expires, is sold, terminated, exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to profit or loss for the period.

RETIREMENT BENEFITS

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Any contributions unpaid at the balance sheet date are included as an accrual as at that date. The Group has no further payment obligations once the contributions have been paid.

The Group also operates a defined benefit pension plan. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Actuarial gains and losses arising are recognised directly in equity in the Statement of Recognised Income and Expense in the period in which they arise.

The amount recognised in the balance sheet represents the difference between the fair value of the plan assets and the present value of the defined benefit obligation as adjusted for unrecognised past service costs, at the balance sheet date.

Gains and losses on curtailments/settlements are recognised in the income statement when the curtailment/settlement occurs.

SHARE-BASED PAYMENT

The Group has applied the requirements of IFRS 2 'Share-based Payment'. In accordance with the IFRS 1 exemption, IFRS 2 has been applied to all grants of equity instruments after 7 November 2002 that had not been vested prior to 1 April 2006.

The Group issues equity-settled share-based payments to certain employees, whereby employees render services in exchange for share options.

Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date using an option-pricing model (Black-Scholes) and excludes the impact of non-market vesting conditions.

Equity-settled share-based payments are expensed in the income statement with a corresponding credit to "share-based payment reserve". Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

PROVISIONS

The Group has provisions in place for onerous leases and dilapidations. The provisions are recognised when the Group has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated. Any differences between expectations and the actual future liability will be accounted for in the period when such a determination is made.

Accounting Policies *continued*

ADOPTED IFRS NOT YET APPLIED

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective

- IFRS 3 Business Combinations (revised)
- IFRS 8 Operating segments
- IFRIC 11 IFRS 2 Group and Treasury Share Transactions
- IFRIC 12 Service Concession arrangements
- IFRIC 13 Customer loyalty programmes
- IFRIC 14 IAS 19 – the limit on a defined benefit asset, minimum funding requirements and their interaction
- IAS 1 Presentation of financial statements (revised)
- IAS 23 (Amendment) Borrowing Costs
- IAS 27 Consolidated and Separate Financial Statements (revised)
- IAS 32 Financial Instruments Presentation (amended)

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group

Notes to the Condensed Consolidated Financial Information

for the year ended 31 March 2008

1 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimated and assumptions concerning the future. The resulting estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below

Revenue recognition on projects

At the year end, there were projects which were partially complete. In accordance with the Group's accounting policy revenue and profit are recognised in accordance with the stage of completion of the contract. This is based on costs incurred to date and an estimate of future costs.

Share-based payments

The charge to the income statements in relation to options and incentive plans is based on the Black-Scholes valuation technique. This technique requires a number of assumptions to be made such as those in relation to share price volatility, movement in interest rates, dividend yields and staff behavioural patterns.

Property provisions

The Group occupies leasehold properties for which a provision is made for dilapidations or other future expenditure commitments. At 31 March 2008 the provisions are £0.27m (2007: £0.34m). These provisions reflect conditions existing at the year end, and are judgemental by their nature.

Fair Value Adjustments

The valuation of customer related intangible and adjustments as permitted under the hindsight period are based on a number of assumptions including customer retention and growth rate. Further details are included in the intangible assets accounting policy.

Key areas of judgment include the distinction a valuation of intangible assets acquired as detailed in the intangible assets note and the recognition of revenue as detailed in the revenue recognition policy.

Impairment

The impairment tests require a number of assumptions and judgments to be made. An explanation of these judgments and estimates are detailed in the impairment accounting policy.

Retirement benefit obligations

Assumptions are used in the actuarial valuation of the Group's defined benefit pension schemes. Details of these assumptions are disclosed in note 25.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

2 SEGMENTAL INFORMATION

Business segments

For management purposes the Group is currently organised into two operating divisions – Supporta Care and Supporta Professional Services in addition to Corporate. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Supporta Care provision of home care services.

Supporta Professional Services provision of architectural, engineering, planning, project management, land management, business process outsourcing, system support, managed services, consultancy, data archiving and scanning services.

Corporate provision of central management services to the Group

In prior years the Group was also involved in the provision of Payroll services to NHS organisations. That operation was discontinued from 4 May 2007.

Year ended 31 March 2008

	Continuing Operations £'000			Discontinued Operations £'000		
	Supporta Care	Supporta Professional Services	Corporate	Payroll Division	Eliminations £'000	Consolidated £'000
REVENUE						
External sales	34,326	16,437	-	330	-	51,093
Inter-segment sales	-	576	-	-	(576)	-
Total revenue	34,326	17,013	-	330	(576)	51,093
RESULT						
Operating profit/(loss) before share-based payment charge, exceptional items and amortisation and impairment of goodwill and intangible assets	3,955	2,121	(2,053)	4	-	4,027
Operating profit/(Loss)	3,449	418	(2,844)	(696)	-	327
Net finance costs	(5)	(81)	(1,310)	-	-	(1,396)
Profit/(loss) before tax	3,444	337	(4,154)	(696)	-	(1,069)
Corporation tax expense	(252)	(25)	-	(413)	-	(690)
Profit on disposal of discontinued operations	-	-	-	167	-	167
Profit/(Loss) after tax and discontinued operations	3,192	312	(4,154)	(942)	-	(1,592)
OTHER INFORMATION						
Capital additions*	1,574	106	22	-	-	1,702
Depreciation and amortisation	471	1,148	-	-	-	1,619
Impairment losses recognised in income	-	218	-	-	-	218

Inter segment sales are charged at prevailing market rates.

- * Capital additions comprise additions to property, plant and equipment and intangible assets including additions resulting from acquisitions through business combinations.

The additions for Care includes £0.79m of intangibles resulting from the acquisition of Hallam Healthcare.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

2 SEGMENTAL INFORMATION (continued)

Year ended 31 March 2007

	Continuing Operations £'000			Discontinued Operations £'000		Consolidated £'000
	Supporta Care	Supporta Professional Services	Corporate	Payroll Division	Eliminations £'000	
REVENUE						
External sales	30,518	12,190	-	6,380	-	49,088
Inter-segment sales	-	980	-	-	(980)	-
Total revenue	30,518	13,170	-	6,380	(980)	49,088
RESULT						
Operating profit/(loss) before share-based payment charge, exceptional items and amortisation and impairment of goodwill and intangible assets	2,943	2,212	(1,996)	1,164	-	4,323
Operating profit/(loss)	2,077	(901)	(2,650)	(3,504)	-	(4,978)
Net finance costs	(19)	(93)	(948)	-	-	(1,060)
Profit/(Loss) before tax	2,058	(994)	(3,598)	(3,504)	-	(6,038)
Corporation tax expense	314	(153)	-	(194)	-	(33)
Loss on disposal of discontinued operations	-	-	-	7	-	7
Profit/(Loss) after tax and discontinued operations	2,372	(1,147)	(3,598)	(3,691)	-	(6,064)
OTHER INFORMATION						
Capital additions*	192	3,374	49	-	-	3,615
Depreciation and amortisation	195	451	86	-	-	732
Impairment losses recognised in income	-	8,009	-	-	-	8,009
Other non cash expenses**	-	-	-	-	-	-

Inter segment sales are charged at prevailing market rates.

- * Capital additions comprise additions to property, plant and equipment and intangible assets including additions resulting from acquisitions through business combinations.

Year ended 31 March 2008

	Continuing Operations £'000			Discontinued Operations £'000		Consolidated £'000
	Supporta Care	Supporta Professional Services	Corporate	Payroll Division	Eliminations £'000	
BALANCE SHEET						
Assets	38,450	22,972	53,887	-	(53,305)	62,004
Liabilities	(26,790)	(16,909)	(31,201)	-	41,797	(33,103)

Segment assets consist primarily of property, plant and equipment, intangible assets, financial assets investments and other operating assets.

Segment liabilities consist primarily of operating liabilities.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

2 SEGMENTAL INFORMATION (continued)

Year ended 31 March 2007

BALANCE SHEET	Continuing Operations £'000			Discontinued Operations £'000	Eliminations £'000	Consolidated £'000
	Supporta Care	Supporta Professional Services	Corporate	Payroll Division		
Assets	30,739	19,035	53,611	3,433	(43,314)	63,504
Liabilities	(23,532)	(17,815)	(32,067)	(83)	34,707	(38,790)

Segment assets consist primarily of property, plant and equipment, intangible assets, financial assets investments and other operating assets

Segment liabilities consist primarily of operating liabilities.

3 OPERATING PROFIT/(LOSS)

	2008 £'000	2007 £'000
Profit/(Loss) for the year has been arrived at after charging		
Amortisation of other intangible assets	983	509
Impairment losses (see note 11)	218	3,582
Depreciation		
– owned assets	343	429
– leased assets	40	40
Rental under operating leases	1,275	1,476
Staff costs (see note 6)	46,426	35,677
Auditors remuneration in respect of both audit and non-audit services		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	95	95
Fees payable to the Company's auditor and its associates for other services		
– The audit of the Company's subsidiaries pursuant to legislation	15	15
– Other services pursuant to legislation	7	–
– Tax services	27	25
	144	135

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

4 SHARE-BASED PAYMENT CHARGE, AMORTISATION AND EXCEPTIONAL ITEMS

	2008 £'000	2007 £'000
Share-based payment charge	262	252
Amortisation of other intangible assets	983	509
Impairment provision	218	3,582
Exceptional items	1,541	665
	3 004	5,008
Exceptional items represent		
Redundancy costs	275	368
Restructure and relocation costs	86	104
Abortive acquisitions	41	20
Abortive disposals	80	-
Payments relating to discontinued businesses from previous year	-	142
One off retention bonus relating to 2006/7 acquisitions	-	31
Write off of Architectural WIP from prior years	773	-
Cost of preparing IFRS conversion	102	-
Refinance costs	157	-
IAS 19 pension fund curtailment loss	27	-
	1,541	665

5 NET FINANCE COSTS

	2008 £'000	2007 £'000
Interest on bank loans and overdrafts	1,367	972
Other interest	14	36
Finance charges in respect of hire purchase contracts	2	6
Interest on pension scheme liabilities	497	449
	1,880	1,463
Expected return on pension scheme assets	(409)	(359)
Interest receivable and similar income	-	-
Bank interest	(75)	(44)
	1,396	1,060

6 STAFF COSTS

Staff costs during the year were as follows

	2008 £'000	2007 £'000
Wages and salaries	42,706	32,359
Social security costs	3,299	2,768
Redundancy costs	270	202
Pension costs	151	348
	46,426	35,677

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

6 STAFF COSTS (continued)

The average number of employees of the Group during the year was as follows

	2008 No	2007 No
Directors	7	7
Supporta Care – administration	198	151
Supporta Care – home care staff	1,968	1,647
Supporta Professional Services	287	342
Corporate	17	29
	2,477	2,176

1 Director (2007: 3) is accruing benefits under the money purchase scheme

The highest paid Director in the year received remuneration of £175,000 (2007: £135,000)

The pension contributions of the highest paid Director were £NIL (2007: £15,500)

7 TAXATION

	Continuing Operations		Discontinuing Operations		Total	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000	2008 £'000	2007 £'000
Current tax						
UK corporation tax on (Loss)	445	282	413	194	858	476
Adjustments in respect of previous periods	(258)	(211)	–	–	(258)	(211)
Total current tax	187	71	413	194	600	265
Deferred tax						
Origination and reversal of timing differences	90	(232)	–	–	90	(232)
Tax on loss	277	(161)	413	194	690	33

Corporation tax is calculated at 28 per cent (2007: 30 per cent) of the estimated assessable profit for the year

Of the charge to current tax, approximately £0.34m (2007: £0.19m) related to profits arising in the payroll operation, which was disposed of during the year

A tax charge of £0.57m arose on the disposal of the relevant operation

The total tax charge for the year can be reconciled to the profit per the income statement as follows

	2008		2007	
	£'000	%	£'000	%
(Loss) before tax	(373)	28	(2,534)	30
Tax at the UK corporation tax rate of 28% (2007: 30%)	(104)		(760)	
Tax effect of expenses that are not deductible in determining taxable profit	683		1,025	
Tax effect of utilisation of tax losses not previously recognised	1		–	
Decrease in opening deferred tax liability resulting from a reduction in tax rates	20		–	
Deferred tax movement	90		(232)	
Tax expense (credit)	690		33	

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

8 DISCONTINUED OPERATIONS

On 2 May 2007, the Group entered into a sale agreement to dispose of the payroll operation of Supporta Services Limited. The disposal was completed on 4 May 2007, on which date control passed to the acquirer.

The results of the discontinued operations which have been included in the consolidated income statement, were as follows:

	2008 £'000	2007 £'000
Revenue	330	6,380
Cost of sales	(294)	(4,326)
Gross profit	36	2,054
Administrative expenses	(565)	(1,407)
Impairment of goodwill	0	(4,144)
Loss before tax	(529)	(3,497)
Attributable tax expense	(413)	(194)
Net loss attributable to discontinued operations	(942)	(3,691)

During the year the payroll operation of Supporta Services Limited expensed £0.53m (2007: contributed £0.65m) to the Group net operating cashflows, received £3.52m (2007: £Nil) in respect of investing activities and paid £Nil (2007: £Nil) in respect of financing activities.

No profit or loss arose on the disposal of the payroll operation of Supporta Services Limited, as the proceeds of disposal did not exceed the carrying amount of the subsidiary goodwill. An impairment loss had been recognised on the classification of these operations as held for sale.

The effect of discontinued operations on segment results is disclosed in the segmental results note.

The major classes of assets and liabilities comprising the operations classified as held for sale are as follows:

	2008 £'000	2007 £'000
Goodwill	185	3,401

There were no liabilities associated with assets classified as held for sale.

9 (LOSS) PER SHARE AND ADJUSTED EARNINGS PER SHARE

	2008 £'000	2007 £'000
Weighted average number of shares for basic earnings per share (000's of shares)	71,089	64,488
Effect of dilutive potential ordinary shares	-	-
Share options (000's of shares)	-	-
Weighted average number of shares for diluted earnings per share (000's of shares)	71,089	64,488
For basic earnings per share		
Loss for the financial period from continuing and discontinued operations	(1,592)	(6,064)
Add back loss for the period from discontinued operations	942	3,691
Loss for the financial period from continuing operations	(650)	(2,373)
Loss per share from continuing and discontinued operations		
- basic and diluted	(2.24)p	(9.40)p
Loss per share from continuing operations		
- basic and diluted	(0.91)p	(3.68)p
Loss per share from discontinued operations		
- basic and diluted	(1.33)p	(5.72)p

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

9 (LOSS) PER SHARE AND ADJUSTED EARNINGS PER SHARE (continued)

	2008 £'000	2007 £'000
For adjusted earnings per share		
Loss for the financial period	(1,592)	(6,064)
Add back loss for the period from discontinued operations	942	3,691
Add back share based payment charge	262	252
Add back amortisation of other intangible assets	983	509
Add back impairment provision	218	3,582
Add back exceptional items (adjusted for tax)	1,079	466
Adjusted loss for the financial period	1,892	2,436
Basic adjusted earnings per share	2.66p	3.78p
Diluted adjusted earnings per share	2.66p	3.74p

10 DIVIDENDS

No dividend is proposed in respect of the year ending 31 March 2008 (2007: £Nil)

11 GOODWILL

	2008 £'000	2007 £'000
Cost		
At 1 April	43,957	37,609
Additions	97	-
Recognised on acquisition of a subsidiary	3,598	14,176
Classified as held for sale	-	(7,828)
At 31 March	47,652	43,957
Accumulated impairment losses		
At 1 April	3,582	-
Impairment losses for the year	218	8,009
Classified as held for sale	-	(4,427)
At 31 March	3,800	3,582
Carrying amount		
At 31 March	43,852	40,375

Goodwill recognised on acquisition of a subsidiary is detailed in note 28

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

11 GOODWILL (continued)

Goodwill acquired in a business combination is allocated to the cash generating units that are expected to benefit from the business combination. The carrying value of goodwill has been allocated to the following cash generating units:

	Year ended 31 March 2008 £'000	Year ended 31 March 2007 £'000
Operating Unit		
Care	21,059	18,178
Professional services	22,793	22,197
	43,852	40,375

Goodwill is not amortised but is tested annually for impairment or more frequently if there are indications that goodwill might be impaired. To the extent that the carrying value exceeds the value in use, determined from estimated discontinued future net cash flows or recoverable amounts, goodwill is written down to the value in use and an impairment charge is recognised.

The recoverable amount of the CGU's has been determined by value in use calculations. The key assumptions for the value in use calculations, are those regarding the discount rates, growth rates, and expected changes to selling price and direct costs during future years. The pre-tax discount rate of 9.8% was used in the value in use calculation. In determining the value in use, cashflows have been increased by 4% to reflect potential growth over future years. Changes in selling prices and direct costs are based on management's expectations of future changes in the market.

12 OTHER INTANGIBLE ASSETS

	Software £'000	Customer related £'000	Total £'000
Cost			
At 1 April 2006	476	-	476
Acquisition of subsidiary undertakings	195	2,518	2,713
Additions	480	-	480
Disposals	(169)	-	(169)
At 31 March 2007	982	2,518	3,500
Acquisition of subsidiary undertakings	-	793	793
Additions	339	-	339
At 31 March 2008	1,321	3,311	4,632
Amortisation			
At 1 April 2006	132	-	132
Amortisation for the period	273	236	509
Eliminated on disposal	(63)	-	(63)
At 31 March 2007	342	236	578
Amortisation for the period	469	514	983
At 31 March 2008	811	750	1,561
Carrying value			
At 31 March 2006	344	-	344
At 31 March 2007	640	2,282	2,922
At 31 March 2008	510	2,561	3,071

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

12 OTHER INTANGIBLE ASSETS (continued)

Software is assumed to have a useful economic life of 3 years and is amortised accordingly

Customer related intangible assets have a differing useful economic life ranging from 1 to 9 years based on management expectations and customer commitments and the amortisation policy reflects this

Customer related intangible assets by Company

	NBV	Amortisation period
Datacare Business Systems Limited	849	Between 2-7 years
Bay Associates Consulting Limited	20	2 years
TerraQuest Solutions Limited	1,022	Between 1-9 years
Hallam Healthcare Limited	670	Between 1-3 years
At 31 March 2008	2,561	

There are no specific securities or restrictions held over the intangible assets

13 PROPERTY, PLANT AND EQUIPMENT

	Leasehold property £'000	Office Equipment £'000	Motor vehicles £'000	Total £'000
Cost or valuation				
At 1 April 2006	101	946	8	1,055
Additions	21	107	-	128
Disposals	-	(135)	-	(135)
Acquired through business combinations	-	260	34	294
At 31 March 2007	122	1,178	42	1,342
Additions	-	541	7	548
Disposals	(52)	(289)	-	(341)
Acquired through business combinations	-	11	-	11
At 31 March 2008	70	1,441	49	1,560
Accumulated depreciation				
At 1 April 2006	35	269	-	304
Depreciation charge for the period	29	179	15	223
Disposals	-	(62)	-	(62)
At 31 March 2007	64	386	15	465
Depreciation charge for the period	10	359	14	383
Disposals	(4)	(259)	-	(263)
At 31 March 2008	70	486	29	585
Carrying value				
At 31 March 2006	66	677	8	751
At 31 March 2007	58	792	27	877
At 31 March 2008	-	955	20	975

Details of securities over the assets of the Group are disclosed in notes 20 - 22 of these financial statements

The carrying value of the Group's property, plant and equipment includes an amount of £Nil (2007 £0.09m) in respect of assets held under finance leases

Depreciation expense of £0.38m (2007 £0.22m) has been charged to administrative expenses.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

14 SUBSIDIARIES

Details of Supporta Plc's subsidiaries at 31 March 2008 are as follows

Name of subsidiary	Place of incorporation (or registration) and operation	Proportion of ownership interest %	Proportion of voting power held %	Principal activity
Next Generation IT Recruitment Limited	UK	100	100	
Supporta Care Limited	UK	100	100	Home and social care provision
Supporta Services Limited	UK	100	100	Support services
Supporta Professional Services Limited	UK	100	100	Architectural services
AJH Care Limited	UK	100	100	
Independent Living Organisation Limited	UK	100	100	Home and social care provision
Strathaven Nursing Homes Limited	UK	100	100	Home and social care provision
Datacare Business Systems Limited	UK	100	100	Data storage and scanning
Bay Associates Consulting Limited	UK	100	100	Civil and structural engineering
				Business process outsourcing and consultancy
Terraquest Solutions Limited	UK	100	100	
Terraquest Group Limited	UK	100	100	
Terraquest Limited	UK	100	100	
Hallam Healthcare	UK	100	100	Home and social care provision
Staff VMS Limited	UK	100	100	Back office services

Hallam Healthcare was acquired on 4 January 2008. Its financial year end has been changed from 30 June to 31 March in line with the Group.

15 TRADE AND OTHER RECEIVABLES

	2008 £'000	2007 £'000
Trade receivables	6,591	7,118
Other receivables	662	462
Prepayments and accrued income	5,703	5,315
	12,956	12,895

The average credit period taken on sales of goods is 47 days (2007: 52 days). An allowance has been made for estimated irrecoverable amounts from the sale of goods £0.52m (2007: £0.27m), based on past default experience. The Directors consider the carrying amount of trade and other receivables approximate their fair value.

The Group holds no collateral against these receivables at the balance sheet date.

The following table provides analysis of trade and other receivables that were past due at 31 March but not impaired. The Group believed that the balances are ultimately recoverable based on a review of past payment history and the current financial status of the customers.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

15 TRADE AND OTHER RECEIVABLES (continued)

	2008 £'000
Up to 30 days	811
Between 30 and 60 days	117
Between 60 and 90 days	94
Over 90 days	785
	1,807

16 CASH AND CASH EQUIVALENTS

	2008 £'000	2007 £'000
Cash and cash equivalents	52	1,828

At 31 March 2008, the Group cash and cash equivalent balance included £Nil (2007: £0.80m) held in an escrow bank account.

17 TRADE AND OTHER PAYABLES

	2008 £'000	2007 £'000
Trade payables	2,149	1,423
Other taxation and social security costs	2,396	2,609
Other payables	1,072	952
Accruals and deferred income	2,395	2,973
	8,012	7,957

18 CURRENT FINANCIAL LIABILITIES

	2008 £'000	2007 £'000
Bank loans and overdrafts (see note 20)	5,171	5,171
Loan notes issued on acquisition	-	888
Deferred consideration	2,624	3,663
Amounts due under finance leases (see note 21)	-	35
	7,795	9,757

The bank loans and overdraft are secured by a fixed and floating charge over all assets of the Group.

Amounts due under finance leases are secured on the assets to which they relate.

19 NON-CURRENT FINANCIAL LIABILITIES

	2008 £'000	2007 £'000
Bank loans and overdrafts (see note 20)	12,280	12,611
Loan notes issued on acquisition	-	-
Deferred consideration	-	2,620
Amounts due under finance leases (see note 21)	-	-
	12,280	15,231

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

20 BANK OVERDRAFT AND LOANS

	2008 £'000	2007 £'000
Bank overdrafts	1,999	1,995
Bank loans	15,452	15,787
	17,451	17,782
The borrowings are repayable as follows		
On demand or within 1 year	5,171	5,171
In the second year	3,145	4,341
In the third to fifth years inclusive	9,135	8,270
After 5 years	-	-
	17,451	17,782
Less: Amount due for settlement within 12 months (shown under current liabilities)	(5,171)	(5,171)
Amount due for settlement after 12 months	12,280	12,611
	2008 %	2007 %
The weighted average interest rates paid were as follows		
Bank overdrafts	7.50	7.43
Bank loans	7.62	7.43

Bank loans of £7.13m (2007: £9.81m) were arranged at fixed interest rates and expose the Group to fair value interest rate risk. Other borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk.

The Directors estimate the fair value of the Group's borrowings is not significantly different to the carrying value.

The other principal features of the Group's borrowings are as follows:

- i Working capital facilities of £2.00m (2007: £2.00m) have been secured by a charge over the Group's assets. The average effective interest rate on the working capital facility approximates 5.0 per cent (2007: 4.9 per cent) per annum and are determined based on 2.5 per cent plus prime rate.
- ii The Group has three principal bank loans:
 - a a loan of £1.55m (2007: £2.19m). The loan was taken out in the year ending 31 March 2007. Repayments commenced on 31 December 2006 and will continue until 31 December 2011. The loan is secured by a fixed and floating charge over the Group's assets. This loan carries interest rate at 2.5 per cent above 3-month LIBOR.
 - b a loan of £6.14m (2007: £8.65m). The loan was taken out in the year ending 31 March 2007. Repayments commenced on 31 December 2006 and will continue until 31 December 2011. The loan is secured by a fixed and floating charge over the Group's assets. This loan carries interest rate at 2.5 per cent above 3-month LIBOR.
 - c a loan of £7.57m (2007: £4.95m). The loan was taken out in the year ending 31 March 2007. Repayments will commence on 31 December 2008 and will continue until 31 December 2011. The loan is secured by a fixed and floating charge over the Group's assets. This loan carries interest rate at 2.5 per cent above 3-month LIBOR.

At 31 March 2008, the Group had available £9.43m (2007: £12.32m) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

21 AMOUNTS DUE UNDER FINANCE LEASES

	Minimum lease payments	
	2008 £'000	2007 £'000
Amounts payable		
Within one year	-	35
Less future finance charges	-	-
Present value of lease obligations	-	35
Less Amount due for settlement within 12 months	-	35
Amount due for settlement after 12 months	-	-

22 FINANCIAL INSTRUMENTS

The Group uses financial instruments comprising borrowings, cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The Group's capital includes the capital and long-term loans. Long-term financial projections are prepared and capital requirements are assessed using these projections along with sensitivities. The Group's banking agreements require us to comply with covenants for net debt to normalised earnings before interest, tax and amortisation, interest cover and debt service to cashflow ratios. As a result of the renegotiation of the banking facilities the Group was not required to measure covenants at 31st March and the next testing date is now 30th June 2008. The Group had met each of its covenants at the other quarterly testing dates during the year ended 31st March 2008.

The main risks arising from the Group financial instruments are interest rate, credit and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Short-term debtors and creditors

Short-term debtors and creditors have been excluded from all the following disclosures, other than the currency risk disclosures.

Interest rate risk

The Group finances its operations through a mixture of cash, bank borrowings and hire purchase contracts. The fair value of the financial instruments is not materially different to book value.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

22 FINANCIAL INSTRUMENTS (continued)

The interest rate exposure of the financial assets and liabilities of the Group as at 31 March 2008 and 31 March 2007 was

	Interest rate					
	Fixed 2008 £'000	Interest rate Floating 2008 £'000	Total 2008 £'000	Fixed 2007 £'000	Interest rate Floating 2007 £'000	Total 2007 £'000
Financial assets						
Cash at bank	-	52	52	-	1,828	1,828
	-	52	52	-	1,828	1,828
Financial liabilities						
Bank overdrafts	-	(1,999)	(1,999)	-	(1,995)	(1,995)
Bank loans	(7,125)	(8,327)	(15,452)	(9,775)	(6,012)	(15,787)
Hire purchase Contracts	-	-	-	(35)	-	(35)
	(7,125)	(10,326)	(17,451)	(9,810)	(8,007)	(17,817)

At 31 March 2008 bank loans amounting to £8.33m were subject to floating interest rates. The floating rate borrowings bear interest rates based on LIBOR

The Group entered into a hedging arrangement in the year ended 31 March 2007 to fix an additional £6.60m of its borrowings at a fixed rate of 5.00% for four years. This was reduced by £0.83m by a loan repayment and will reduce further as the loan is repaid. This arrangement has 3.25 years remaining.

The Group has derived a sensitivity analysis based on readily available information for forward fixed and floating interest rates.

	2008 £'000	2007 £'000
Impact on equity		
1% increase in base rate of interest	100	59
1% decrease in base rate of interest	(78)	(91)
Impact on profit		
1% increase in base rate of interest	(173)	(131)
1% decrease in base rate of interest	173	131

The fair value of interest rate swaps entered into at 31 March 2008 is estimated at £0.02m (2007: £0.11m). These amounts are based on market values of equivalent instruments at the balance sheet date. The balance in equity at 31 March 2008 will continuously be released to the income statement over the term of the loan agreement.

The weighted average fixed interest rate and weighted average period for which the rate fixed for liabilities at 31 March 2008 was 7.6% and 2.0 years respectively.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable cash requirements and to invest cash assets safely and profitably.

Short-term flexibility is achieved by the use of working capital facilities.

Credit risk

Credit risk predominantly arises from trade receivables and cash and cash equivalents. The Group policy is to assess the credit quality of each customer before accepting any terms of trade.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

22 FINANCIAL INSTRUMENTS (continued)

The Group maximum exposure to credit risk relating to such assets is set out below

	2008 £'000	2007 £'000
Trade receivables	6,591	7,118
Cash and cash equivalent	52	1,828
	6,643	8,946

The Group reviews aged debt on a periodic basis and makes provision for those debts which it considers are doubtful. At the balance sheet the total provision for doubtful debts totalled £0.52m (2007: £0.27m).

Total Financial assets and liabilities

The table below sets out the Group's accounting classification of each class of financial assets and liabilities, and their fair values at 31 March 2008.

	Loans & receivables	Designated at fair value through profit or loss	Total for balance sheet heading
	2008 £'000	2008 £'000	2008 £'000
Cash at bank	52	-	52
Trade receivables - current	6,591	-	6,591
Other receivables - current	662	-	662
Prepayments	5,703	-	5,703
Derivatives	-	22	22
Bank overdraft	(1,999)	-	(1,999)
Trade payables - current	(2,149)	-	(2,149)
Loans payable - current	(5,171)	-	(5,171)
Accruals	(2,395)	-	(2,395)
Other liabilities - current	(1,072)	-	(1,072)
Loans payable - non-current	(12,280)	-	(12,280)
VAT and taxation payable	(2,396)	-	(2,396)
Total	(14,454)	22	(14,432)

23 DEFERRED TAX

	2008 £'000	2007 £'000
Analysis for financial reporting purposes		
Deferred tax liabilities	817	790
Deferred tax assets	(891)	(1,097)
Net position at 31 March	(74)	(307)

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

23 DEFERRED TAX (continued)

The movement in the year in the Group's net deferred tax position was as follows

	2008 £'000	2007 £'000
At 1 April	(307)	(664)
Charge to income for the year	90	443
Charge to equity for the year	143	(86)
Amount due for settlement after 12 months	(74)	(307)

The following are the major deferred tax liabilities and assets recognised by the Group and the movements thereon during the year

	Accelerated capital allowances £'000	Other £'000	Total £'000
At 1 April 2006	0	347	347
Charge to income for the year	105	338	443
At 31 March 2007	105	685	790
Charge to income for the year	(4)	31	27
At 31 March 2008	101	716	817

The amounts included within the Other column relate to deferred tax liabilities for customer related intangible assets, recognised on business combinations.

Deferred tax assets

	Retirement benefit obligations £'000	Total £'000
At 1 April 2006	1,011	1,011
Charge to income for the year	0	0
Charge to equity for the year	86	86
At 31 March 2007	1,097	1,097
Charge to income for the year	(63)	(63)
Charge to equity for the year	(143)	(143)
At 31 March 2008	891	891

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

24 PROVISIONS

	Onerous lease provision £'000	Dilapidations/ rectification provision £'000	Total £'000
At 1 April 2006	47	364	411
Additional provision in year	88	20	108
Amount reversed in year	(13)	(42)	(55)
At 31 March 2007	122	342	464
Additional provision in year	200	-	200
Amount reversed in year	(268)	(74)	(342)
At 31 March 2008	54	268	322

	31 March 2008 £'000	31 March 2007 £'000
Current provision	150	150
Non-current provision	172	314
	322	464

The onerous lease provision represents management's best estimate of the Group's net liability for unavoidable costs (i.e. the net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it) to be incurred for onerous lease contracts. The estimate is based on the terms of the leases.

The dilapidations/rectification provision has been made for costs expected to arise at the termination of leases. The provision is based on the expected dilapidation costs at the point of acquisition, and can be summarised as follows:

	Payable within 1 year £'000	Payable between 1-5 years £'000	Payable after 5 years £'000	Total £'000
Parys Snowdon Group	15	81	-	96
Roger P Dudley Limited	-	-	60	60
Independent Living Organisation	81	7	4	92
Supporta plc	-	-	20	20
At 31 March 2008	96	88	84	268

25 RETIREMENT BENEFIT OBLIGATIONS

Defined contribution plans

The Group operates defined contribution Group personal pension scheme for the benefit of certain employees. The Group contributes to personal pension plans of certain Directors and employees. The Group also operates a stakeholder pension plan available to all employees. The assets of the plan are held separately from those of the Group in funds under the control of trustees.

The total cost charged to income of £0.26m (2007: £0.35m) represents contributions payable to these schemes by the Group at rates specified in the rules of the schemes. As at 31 March 2008, contributions of £0.27m (2007: £0.38m) due in respect of the current reporting period had not been paid over to the schemes.

Defined benefit plan

The Group contributes to defined benefit pension schemes for the benefit of certain employees of Supporta Services Limited, previously employed by Parys Snowdon Payroll Services Limited and Parys Snowdon Group Limited and its subsidiaries which have been hived up into it.

Under the schemes, the employees are entitled to retirement benefits which accrue at a rate of either 1.25% or 1.67% per cent of final salary for each year of pensionable service up to attainment of a normal retirement age of 65. Some members are entitled to retire at age 60 with unreduced benefits. In addition, members who, as described above, accrue pension at the rate of 1.25% receive a lump sum on retirement equal to 3 times their pension. No other post-retirement benefits are provided. The schemes are funded schemes. The funding level at 31 March 2008 was 63% (2007: 62%) and there are no partly or wholly unfunded liabilities.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31 March 2008 by KPMG, the schemes independent actuaries. The present values of the defined obligation, the related current service cost and past service cost were measured using the projected unit credit method.

Key assumptions used

	Valuation at 2008 %	Valuation at 2007 %
Discount rate	6.45	5.20
Expected rate of salary increases	4.25	4.20
Future pension increases	3.75	3.20
Inflation	3.75	3.20
Mortality - current pensioners		
Male life expectancy at age 60	26.1 years	22.9 years
Mortality - future pensioners		
Male life expectancy at age 60 (currently 45)	27.0 years	24.4 years

Mortality rate assumptions are based on publicly available data in the UK.

Amounts recognised in income in respect of these defined benefit schemes are as follows

	2008 £'000	2007 £'000
Current service cost	120	262
Interest cost	497	449
Expected return on scheme assets	(409)	(360)
Past service costs	26	-
Gains and losses curtailments	27	-
Settlements	-	-
	261	351

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

25 RETIREMENT BENEFIT OBLIGATIONS (continued)

The current service cost for the year has been included in staff costs.

Actuarial gains and losses are reported in the statement of recognised income and expense. The gain recognised in 2008 was £0.49m (2007: expense of £0.24m), and the cumulative gain is £0.01m (2007: cumulative expense £0.47m).

The actual return of the scheme assets was £0.65m (2007: £0.13m).

The amount included in the balance sheet arising from the Group's obligation in respect of defined benefit retirement schemes is as follows:

	2008 £'000	2007 £'000
Present value of defined benefit obligations	(8,540)	(9,564)
Fair value of scheme assets	5,359	5,907
Deficit in scheme	(3,181)	(3,657)
(Liability) recognised in balance sheet	(3,181)	(3,657)

Movements in the present value of defined benefit obligations in the current period were as follows:

	2008 £'000	2007 £'000
At 1 April	9,564	9,023
Current service costs	120	262
Past service costs	26	-
Interest costs	497	449
Actuarial (gains) and losses	(1,545)	5
Contributions by plan participants	39	70
Benefits paid	(188)	(245)
Business combinations and disposal of subsidiaries	-	-
Gains and losses on curtailments	27	-
Settlements	-	-
At 31 March	8,540	9,564

Movements in the fair value of scheme assets in the current period were as follows:

	2008 £'000	2007 £'000
At 1 April	5,907	5,654
Expected return on scheme assets	409	360
Actuarial gains and (losses)	(1,058)	(233)
Employer Contributions	250	302
Employee Contributions	39	70
Settlements	-	-
Benefits paid	(188)	(246)
Business combinations and disposal of subsidiaries	-	-
At 31 March	5,359	5,907

Notes to the Condensed Consolidated Financial Information continued
for the year ended 31 March 2008

25 RETIREMENT BENEFIT OBLIGATIONS (continued)

The analysis of the scheme assets and the expected rate of return at the balance sheet date was as follows

	Expected return %		Fair value assets	
	2008	2007	2008 £'000	2007 £'000
Equity instruments	7.20	7.50	3,221	3,403
Debt instruments	5.50	5.00	954	926
Property	7.20	7.50	1,179	1,557
Other assets – cash	5.25	5.25	5	21
			5,359	5,907

The overall expected rate of return on assets (see table of assumptions used) has been derived as the weighted average of the expected returns from each of the main asset classes. The expected return for each assets class reflects a combination of historical performance analysis, the forward looking view on the financial markets (as suggested by the yield available) and the views of investment organisations.

The five year history of experience adjustments are as follows

	2008 £'000	2007 £'000	2006 £'000	2005 £'000	2004 £'000
Present value of defined benefit obligations	(8,540)	(9,564)	(9,023)	(7,496)	(6,999)
Fair value of scheme assets	5,359	5,907	5,654	4,331	4,192
At 31 March	(3,181)	(3,657)	(3,369)	(3,165)	(2,807)
Experience adjustments on scheme liabilities	56	-	648	-	-
Experience adjustments on scheme assets	(1,058)	(233)	900	(75)	382

The estimated amounts of contributions expected to be paid to the scheme during the financial year ending 31 March 2009 is £0.37m

26 SHARE CAPITAL

	2008 £'000	2007 £'000
Authorised		
100,000,000 ordinary shares of 5p each	5,000	5,000
Allotted, called up and fully paid		
81,547,450 ordinary shares of 5p each (2007: 67,402,493)	4,077	3,370

Allotments during the year of new ordinary 5p shares were as follows

4 December 2007	-	2,602,046 shares were issued in order to satisfy the deferred consideration relating to the acquisition in November 2006 of TerraQuest Solutions Limited
2 January 2008	-	11,542,911 shares were issued at 38.25p per share in order to fund the acquisition of Hallam Healthcare Limited

There was no exercise of employee share options during the year

All ordinary shares carry equal voting rights, and rights to residual assets

27 SHARE-BASED PAYMENTS

The Group plan provides for a grant price equal to the average quoted market price of the Group shares for the three dealing days prior to the date of the grant. There is no vesting period. If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Furthermore, options are forfeited after the expiry of 30 days from the date the employee leaves the Group.

	2008 Options exercised	2007 Options exercised	2008 Weighted average exercise price (pence)	2007 Weighted average exercise price (pence)
Outstanding at 1 April	5,194,553	3,818,902	66.1	66.0
Grant during the year	1,565,902	1,645,651	60.7	65.9
Forfeited during the year	(1,460,083)	(190,000)	78.1	70.5
Exercised during the year	-	(80,000)	-	50.0
Expired during the year	-	-	-	-
Outstanding at 31 March	5,300,372	5,194,553	61.1	66.1
Exercisable at 31 March	5,300,372	5,194,553	61.1	66.1

The weighted average share price at the date of exercise for share options exercised during the year ended 31 March 2007 82.0p per share. No share options were exercised in the current year. The options outstanding at 31 March 2008 had an exercise price between 40.0p and 89.5p (2007 40.0p to 89.5p). The estimated fair value of options granted in the year using the Black-Scholes method, was 2.0p per share (2007 30.9p per share).

The inputs into the Black-Scholes valuation model for options granted during the year were as follows:

	2008	2007
Weighted average share price	36.6p	71.1p
Weighted average exercise price	60.8p	65.6p
Expected volatility	24.3%	44.0%
Expected life	4 years	4 years
Risk free rate	4.5%	5.0%
Expected dividend yield	0%	0%

The weighted average contractual life of the options is 8.51 years.

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous 6 years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural conditions.

The Group recognised total expenses of £0.26m (2007 £0.25m) relating to equity-settled share-based payment transactions in 2008.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

28 ACQUISITION OF SUBSIDIARY

On 4 January 2008, Supporta plc acquired 100 per cent of the issued share capital of Hallam Healthcare for cash consideration of £3 60m, and incurred directly attributable costs of £0 28m. This transaction has been accounted for by the purchase method of accounting.

	Fair value 2008 £'000	Acquiree's carrying amount 2008 £'000
Net assets acquired		
Property, plant and equipment	-	11
Trade receivables	270	354
Bank and cash	(47)	(47)
Trade payables	(138)	(81)
	85	237
Goodwill	3,598	3,446
Total consideration including direct costs	3,683	3,683
Satisfied by		
Cash	3 683	
	3,683	
Net cash flow arising on acquisition		
Cash consideration	3,683	
Asset recognised in balance sheet	3,683	

Hallam Healthcare contributed £0 79m to revenue and £0 14m to net profit for the period between the date of acquisition and the balance sheet date. If this acquisition had occurred on 1 April 2007 Group revenue would have been £51 62m and net loss £0 03m.

On initial accounting for a business combination, fair values attributed to the acquiree's identifiable assets and liabilities may be provisional. Subsequent adjustments to these provisional values arising within twelve months of the acquisition date are recognised as an adjustment to goodwill. Any adjustments to provisional fair values identified after this twelve month period are recognised in the income statement.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

29 DISPOSAL OF SUBSIDIARY

As referred to in note 8, on 4 May 2007 the Group discontinued its payroll operations when this business was disposed of

The net assets of the payroll operation of Supporta Services Limited at the date of disposal and at 31 March 2007 were as follows

	4 May 2007 £'000	31 March 2007 £'000
Property, plant and equipment	30	32
Trade payable	(83)	(83)
Attributable goodwill	3,401	3,401
	3,348	3,350
Profit on disposal	167	165
Total consideration	3,515	3,515
Satisfied by		
Cash	3,515	3,515
	3,515	3,515
Net cash inflow arising on disposal		
Cash consideration	3,515	3,515

The impact of the payroll division on the Group's results and its cashflows in the current and prior periods is disclosed in note 8

30 CAPITAL COMMITMENTS

	2008 £'000	2007 £'000
Commitments for the acquisition of property, plant and equipment	300	70

31 CONTINGENT LIABILITIES

There are no contingent liabilities relating to the Company or its subsidiaries at 31 March 2008 or 31 March 2007

The Group has entered into a number of contracts for which the third party has the benefit of a bank guarantee for our obligations under these contracts. Such guarantees total £0.31m (2007: £0.31m). Upon disposal of the payroll operation on 4 May 2007 the Group provided warranties to the acquirer. Our liabilities under this arrangement are limited to £3.7m (with the exception of warranties relating to restricted business which are uncapped) and expire on 4 November 2008 with the exception of tax warranties which expire on 4 May 2014.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

32 OPERATING LEASE ARRANGEMENTS

The minimum lease payments under non-cancellable operating lease rentals are in aggregate as follows

	2008		2007	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
In one year or less	324	–	452	7
Between one and five years	421	177	662	163
Over five years	296	–	227	62
	1,041	177	1,341	232

33 RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note

Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 "Related Party Disclosures"

	2008 £'000	2007 £'000
Short-term employee benefits	954	795
Other long-term benefits	2	28
Termination benefits	11	–
	967	823

Remuneration in respect of Directors was as follows

	2008 £'000	2007 £'000
Emoluments	965	795
Pension contributions to a money purchase pension scheme	2	28
	967	823

1 Directors (2007: 3) are accruing benefits under the money purchase scheme

The highest paid Director in the year received remuneration of £175,000 (2007: £135,000)

The pension contributions of the highest paid Directors were £Nil (2007: £15,500)

The interests of the Directors in share options are as detailed in the Director's report

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

33 RELATED PARTY TRANSACTIONS (continued)

Trading transactions

During the year, Group companies entered into the following transactions with related parties who are not members of the Group

During the year the Group paid £36,500 for recruitment services to Bandtrace a Company owned by J Jasper's spouse. There were no balances outstanding at either 31 March 2008 or 31 March 2007

During the year the Group accrued costs of £13,525 to Countrywide Properties for rental of a property which is owned by M Curran's personal pension scheme. This was paid after the year end. There were no balances outstanding at 31 March 2007

Any payments to the pension scheme are dealt with in the pension scheme note. See note 25

34 CHANGES IN SHAREHOLDERS' EQUITY

	Share capital £'000	Share premium account £'000	Share-based payment reserves £'000	Retained losses reserve £'000	Hedging reserve £'000	Total £'000
At 1 April 2006	3,119	26,694	123	(3,158)	(3)	26,775
Total recognised income and expense	-	-	-	(6,302)	112	(6,190)
Share-based payment reserves movement	-	-	252	-	-	252
Issue of shares in the period	251	-	-	-	-	251
Premium on allotment during the period	-	3,626	-	-	-	3,626
At 31 March 2007	3,370	30,320	375	(9,460)	109	24,714
Total recognised income and expense	-	-	-	(1,248)	(87)	(1,335)
Share-based payment reserves movement	-	-	262	-	-	262
Issue of shares in the period	707	-	-	-	-	707
Premium on allotment during the period	-	4,553	-	-	-	4,553
	4,077	34,873	637	(10,708)	22	28,901

All of the amounts above are attributable to the shareholders of the parent

Share capital

The share capital account includes the par value for all shares issued and outstanding

Share premium account

The share premium account comprises the premium over nominal value on issued shares. The use of this reserve is restricted by the Companies Act 1985

Retained losses

The retained losses reserve includes the accumulated profits and losses arising from the consolidated income statements and certain items from the statements of recognised income and expense attributable to equity shareholders less distributions to shareholders.

Share-based payment reserve

The share-based payment represents the cumulative amount which has been recognised in connection with share-based payments, less any amount transferred to retained earnings in the exercise of share warrants.

Hedging reserve

The hedging reserve represents the cumulative amount which has been recognised in connection with interest rate swaps.

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

35 CASH GENERATED FROM OPERATIONS

	2008 £'000	2007 £'000
Loss before tax on continuing operations	(373)	(2,534)
Loss before tax on discontinuing operations	(529)	(3,497)
Loss before tax	(902)	(6,031)
Adjustments for		
Depreciation of property, plant and equipment	383	223
Impairment of goodwill – continuing	218	3,582
Impairment of goodwill – discontinuing	–	4,427
Amortisation of intangible assets	983	509
Share-based payment charge	262	252
(Gain)/loss on disposal of property, plant and equipment	(19)	(7)
(Gain)/loss on disposal of operation	(167)	–
Finance costs	1,396	1,060
Operating cash flows before movements in working capital	2,154	4,015
Increase in receivables	(331)	(505)
Decrease in payables	(75)	(76)
Cash generated by operations	1,898	3,434

36 RECONCILIATION BETWEEN UK GAAP AND IFRS

For all periods up to and including the year ended 31 March 2007 the Group prepared its financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). The Group's financial statements for the year ended 31 March 2008 will be the first annual financial statements that will comply with International Financial Reporting Standards (IFRS). In preparing its opening IFRS balance sheet at 1 April 2006 (the Group's date of transition to IFRS), comparative information for the year ended 31 March 2007 and the year ended 31 March 2008, the Group has adjusted amounts previously reported in the financial statements prepared in accordance with UK GAAP.

This section explains the principal adjustments made by the Group in restating its UK GAAP balance sheet at 1 April 2006 and its previously published UK GAAP financial statements for the year ended 31 March 2007.

Notes to the Condensed Consolidated Financial Information continued
for the year ended 31 March 2008

36 RECONCILIATION BETWEEN UK GAAP AND IFRS (continued)

Reconciliation of profit for the year ended 31 March 2007

	UK GAAP £'000	IFRS 3 Business combinations £'000	IFRS 5 Non-current assets held for sale and discontinued operations £'000	Restated under IFRS £'000
Revenue	49,088	-	(6,380)	42,708
Cost of sales	(35,394)	(112)	4,326	(31,180)
Administrative expenses	(16,748)	(1,805)	5,551	(13,002)
Operating profit/(loss)	(3,054)	(1,917)	3,497	(1,474)
Finance costs	(970)	-	-	(970)
Other finance charges	(90)	-	-	(90)
Profit/(loss) before tax	(4,114)	(1,917)	3,497	(2,534)
Taxation	(104)	71	194	161
Profit/(loss) from continuing operations	(4,218)	(1,846)	3,691	(2,373)
Loss for the period from discontinued operations	-	-	(3,691)	(3,691)
Loss for the period	(4,218)	(1,846)	-	(6,064)

Reconciliation of equity at 31 March 2007

	UK GAAP £'000	IFRS 3 Business combinations £'000	IFRS 5 Non-current assets held for sale and discontinued operations £'000	IAS 19 Employee benefits £'000	IAS 1 Presentation of financial statements £'000	IAS 38 Intangible assets £'000	IAS 32/39 Financial instruments £'000	Restated under IFRS £'000
NON-CURRENT ASSETS								
Goodwill	47,220	(3,444)	(3,401)	-	-	-	-	40,375
Other intangible assets	67	2,283	-	-	-	572	-	2,922
Property, plant and equipment	1,449	-	-	-	-	(572)	-	877
Deferred tax asset	-	-	-	1,097	-	-	-	1,097
Derivative financial instruments	-	-	-	-	-	-	109	109
	48,736	(1,161)	(3,401)	1,097	-	-	109	45,380
CURRENT ASSETS								
Trade and other receivables	12,895	-	-	-	-	-	-	12,895
Cash and cash equivalent	1,828	-	-	-	-	-	-	1,828
Derivative financial instruments	-	-	-	-	-	-	-	-
	14,723	-	-	-	-	-	-	14,723
Non-current assets classified as held for sale	-	-	3,401	-	-	-	-	3,401
TOTAL ASSETS	63,459	(1,161)	-	1,097	-	-	109	63,504

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

36 RECONCILIATION BETWEEN UK GAAP AND IFRS (continued)

Reconciliation of equity at 31 March 2007 (continued)

	UK GAAP £'000	IFRS 3 Business combinations £'000	IFRS 5 Non-current assets held for sale and discontinued operations £'000	IAS 19 Employee benefits £'000	IAS 1 Presentation of financial statements £'000	IAS 38 Intangible assets £'000	IAS 32/39 Financial instruments £'000	Restated under IFRS £'000
CURRENT LIABILITIES								
Financial liabilities	(9,757)	-	-	-	-	-	-	(9,757)
Trade and other payables	(7,957)	-	-	-	-	-	-	(7,957)
Current tax liabilities	(934)	-	-	-	-	-	-	(934)
Provisions	-	-	-	-	(150)	-	-	(150)
	(18,648)	-	-	-	(150)	-	-	(18,798)
NON-CURRENT LIABILITIES								
Financial liabilities	(15,231)	-	-	-	-	-	-	(15,231)
Provisions	(569)	-	-	-	255	-	-	(314)
Deferred tax liabilities	-	(685)	-	-	(105)	-	-	(790)
Retirement benefit obligations	(2,560)	-	-	(1,097)	-	-	-	(3,657)
	(18,360)	(685)	-	(1,097)	150	-	-	(19,992)
TOTAL LIABILITIES	(37,008)	(685)	-	(1,097)	-	-	-	(38,790)
NET ASSETS	26,451	(1,846)	-	-	-	-	109	24,714

	UK GAAP £'000	IFRS 3 Business combinations £'000	IFRS 5 Non-current assets held for sale and discontinued operations £'000	IAS 19 Employee benefits £'000	IAS 1 Presentation of financial statements £'000	IAS 38 Intangible assets £'000	IAS 32/39 Financial instruments £'000	Restated under IFRS £'000
EQUITY								
Share capital	3,370	-	-	-	-	-	-	3,370
Share premium account	30,320	-	-	-	-	-	-	30,320
Share-based payment reserve	375	-	-	-	-	-	-	375
Retained earnings	(7,614)	(1,846)	-	-	-	-	-	(9,460)
Hedging reserve	-	-	-	-	-	-	109	109
Equity payable to equity holders of the parent	26,451	(1,846)	-	-	-	-	109	24,714

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

36 RECONCILIATION BETWEEN UK GAAP AND IFRS (continued)

Reconciliation of equity at 1 April 2006

	UK GAAP £'000	IFRS 3 Business combinations £'000	IFRS 5 Non-current assets held for sale and discontinued operations £'000	IAS 19 Employee benefits £'000	IAS 38 Intangible assets £'000	IAS 32/39 Financial instruments £'000	Restated under IFRS £'000
NON-CURRENT ASSETS							
Goodwill	37,609	-	-	-	-	-	37,609
Other intangible assets	54	-	-	-	290	-	344
Property, plant and equipment	1,041	-	-	-	(290)	-	751
Deferred tax asset	-	-	-	1,011	-	-	1,011
Derivative financial instruments	-	-	-	-	-	-	-
	38,704	-	-	1,011	-	-	39,715
CURRENT ASSETS							
Trade and other receivables	9,271	-	-	-	-	-	9,271
Cash and cash equivalent	3,579	-	-	-	-	-	3,579
	12,850	-	-	-	-	-	12,850
Non-current assets classified as held for sale	-	-	-	-	-	-	-
TOTAL ASSETS	51,554	-	-	1,011	-	-	52,565

	UK GAAP £'000	IFRS 3 Business combinations £'000	IFRS 5 Non-current assets held for sale and discontinued operations £'000	IAS 19 Employee benefits £'000	IAS 38 Intangible assets £'000	IAS 32/39 Financial instruments £'000	Restated under IFRS £'000
CURRENT LIABILITIES							
Financial liabilities	(7,244)	-	-	-	-	-	(7,244)
Trade and other payables	(5,411)	-	-	-	-	-	(5,411)
Current tax liabilities	(715)	-	-	-	-	-	(715)
Derivative financial instruments	-	-	-	-	-	(3)	(3)
	(13,370)	-	-	-	-	(3)	(13,373)
NON-CURRENT LIABILITIES							
Financial liabilities	(8,637)	-	-	-	-	-	(8,637)
Provisions	(411)	-	-	-	-	-	(411)
Retirement benefit obligations	(2,358)	-	-	(1,011)	-	-	(3,369)
	(11,406)	-	-	(1,011)	-	-	(12,417)
TOTAL LIABILITIES	(24,776)	-	-	(1,011)	-	(3)	(25,790)
NET ASSETS	26,778	-	-	-	-	(3)	26,775

Notes to the Condensed Consolidated Financial Information *continued*
for the year ended 31 March 2008

36 RECONCILIATION BETWEEN UK GAAP AND IFRS (continued)

Reconciliation of equity at 1 April 2006 (continued)

	UK GAAP £'000	IFRS 3 Business combinations £'000	IFRS 5 Non-current assets held for sale and discontinued operations £'000	IAS 19 Employee benefits £'000	IAS 1 Presentation of financial statements £'000	IAS 38 Intangible assets £'000	IAS 32/39 Financial instruments £'000	Restated under IFRS £'000
EQUITY								
Share capital	3,119	-	-	-	-	-	-	3,119
Share premium account	26,694	-	-	-	-	-	-	26,694
Share-based payment reserve	123	-	-	-	-	-	-	123
Retained earnings	(3,158)	-	-	-	-	-	-	(3,158)
Hedging reserve	-	-	-	-	-	-	(3)	(3)
Equity attributable to equity holders of the parent	26,778	-	-	-	-	-	(3)	26,775

The adoption of IFRS does not impact on the cash flows previously disclosed under UK GAAP in any of the periods of account in the interim results. The IAS 7 cash flow statement is presented in a different format than required under UK GAAP with cash flow split into three categories of activities – operating, investing and financing.

IFRS does however have a different definition of cash and cash equivalents for cash flow statement purposes, this has had the effect of moving bank overdrafts to financing activities.

Explanations of differences between UK GAAP and IFRS, giving rise to adjustments in the reconciliations

IAS 1 Presentation of financial statements

The format of the IFRS financial statements has been prepared in accordance with IAS 1 "Presentation of financial statements", which differs from its UK equivalent. In particular there is greater flexibility on the presentation of information in the primary statements. Certain headings are mandatory but IFRS allows companies to adopt other headings in accordance with the nature of their business.

IFRS 3 Business combinations

On initial accounting for a business combination, fair values attributed to the acquirees identifiable assets and liabilities may be provisional. Subsequent adjustments to these provisional values arising within twelve months of the acquisition date are recognised as an adjustment to goodwill. Any adjustments to provisional fair values identified after this twelve month period are recognised in the income statement.

IFRS 3 prohibits the amortisation of goodwill. The standard requires an annual impairment test to be performed. As a consequence the value of goodwill at the date of transition has been frozen and the amortisation charges since that date have been reversed. Annual impairment tests have been performed and an impairment of £3.58m has been recognised at March 2007.

IFRS 3 requires that fair values are attributed to identified intangible assets acquired via business combinations. As a result the amount attributed to goodwill arising on consolidation correspondingly reduced. The Group has identified all such intangibles for the Group's business combinations since 1 April 2006. Assets so identified amount to £3.31m at 31 March 2008. These represent the net present value of discounted future cash flows expected to be derived from customer related intangibles. This value has been transferred from goodwill to other intangible assets. The intangible assets will be amortised over their expected useful life. In accordance with IAS12 deferred taxation of £0.71m at 31 March 2008 has been recognised in goodwill in respect of these intangibles and will be released in line with the amortisation of the intangible.

36 RECONCILIATION BETWEEN UK GAAP AND IFRS (continued)

On transition to IFRS, the Group has chosen not to restate acquisitions occurring prior to the date of transition. However, under IFRS, deferred tax would have been recognised on the fair value adjustments of acquisitions prior to that date. The Group has therefore provided the deferred tax at a rate of 30% based on the Group's ongoing tax charges.

IFRS 5 Non-current assets held for sale and discontinued operations

In November 2006, the Group decided to sell the Payroll division of the Group. IFRS 5 requires these discontinued operations to be reclassified into one line on the Income Statement which is shown on page 22.

Under IFRS 5 'Assets held for sale and disposal groups', the assets and liabilities of the Payroll division required reclassification to assets held for sale and liabilities relating to assets held for sale.

IAS 1 Presentation of financial statements Provisions

IAS 1 requires provisions to be split between current and non-current liabilities.

IAS 32/39 Financial instruments

IAS 32 and IAS 39 must be applied whereas the UK GAAP equivalent, FRS 26, is not a requirement for AIM listed companies. Under IAS 39 the interest rate swap derivatives are recognised at fair value and accounted for using hedge accounting. Any movements in fair value go to equity and a corresponding hedge reserve has been set up.

37 POST BALANCE SHEET EVENTS

On 3 June 2008, Supporta PLC allotted 4,908,902 ordinary shares of 5p each in the Company in order to satisfy the final element of deferred consideration as agreed under the terms of its acquisition agreement with TerraQuest Solutions Limited in November 2006.

The shares were treated as issued at a price of 22.625p per share.

Five Year Summary

for the year ended 31 March 2008

	Prepared under IFRS		Prepared under UK GAAP		
	2008 £'000	2007 £'000	2006 £'000	2005 £'000	2004 £'000
REVENUE	50,763	42,708	29,102	20,471	9,878
OPERATING PROFIT/(LOSS)	1,023	(1,474)	571	(686)	(1,115)
Net finance costs	(1,396)	(1,060)	(414)	(186)	(52)
(LOSS)/PROFIT BEFORE TAX FROM CONTINUED OPERATIONS	(373)	(2,534)	157	(872)	(1,167)
Taxation	(277)	161	(173)	(89)	(43)
	(650)	(2,373)	(16)	(961)	(1,210)
(Loss) for the year from discontinued operations	(942)	(3,691)	-	-	-
LOSS AFTER TAXATION	(1,592)	(6,064)	(16)	(961)	(1,210)
Equity minority interests	-	-	(75)	27	10
(LOSS) ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT	(1,592)	(6,064)	(91)	(934)	(1,200)
Dividend per share	-	-	-	-	-
Loss per share – basic	(2.24)	(9.40)	(0.18)	(2.82)	(10.35)

Parent Company Financial Statements

The separate financial statements of Supporta plc are presented on pages 70 to 76 as required by the Companies Act 1985 ('the Act'). The Group has elected not to adopt International Financial Reporting Standards in the individual Company accounts for the parent Company and subsidiary undertakings, and accordingly these financial statements have been prepared under UK accounting standards and in accordance with the Act. They are therefore presented separately to the Group consolidated financial statements which have been prepared under International Financial Reporting Standards.

Report of the Independent Auditor to the Members of Supporta plc

We have audited the parent Company financial statements of Supporta Plc for the year ended 31 March 2008 which comprise the principal accounting policies, the balance sheet and notes 1 to 14

These parent Company financial statements have been prepared under the accounting policies set out therein

We have reported separately on the Group financial statements of Supporta Plc for the ended 31 March 2008

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 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 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 Annual Report, and the parent Company financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the parent Company 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 parent Company financial statements give a true and fair view and whether the parent Company financial statements have been 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. The information given in the Directors' Report includes that specific information presented in the Business Review that is cross referred from the Business Review section of the Directors' Report

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 other information contained in the Annual Report and consider whether it is consistent with the audited parent Company financial statements. The other information comprises only Chairman's Statement, Chief Executive's Report, Financial Director's Report, Corporate Governance Statement and the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the parent Company financial statements. Our responsibilities do not extend to any other information

BASIS OF AUDIT OPINION

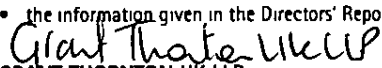
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the parent Company financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the parent Company 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 parent Company 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 parent Company financial statements.

OPINION

In our opinion

- the parent Company 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,
- the parent Company 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


GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS

OXFORD

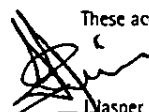
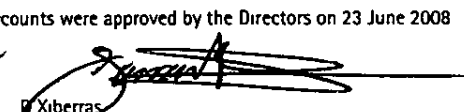
23 June 2008

Company Balance Sheet

	Note	2008 £'000	2007 £'000
FIXED ASSETS			
Tangible assets	2	281	345
Investments	3	23,583	31,279
		23,864	31,624
CURRENT ASSETS			
Debtors	4	29,612	21,183
Cash at bank and in hand	5	411	804
		30,023	21,987
CREDITORS: Amounts falling due within one year	6	(18,901)	(17,238)
NET CURRENT ASSETS		11,122	4,749
TOTAL ASSETS LESS CURRENT LIABILITIES		34,986	36,373
CREDITORS: Amounts falling due after one year	7	(12,280)	(14,809)
PROVISIONS FOR LIABILITIES	8	(20)	(20)
		22,686	21,544
CAPITAL AND RESERVES			
Called up share capital	10	4,077	3,370
Share premium account	11	34,873	30,320
Profit and loss account	11	(16,901)	(12,521)
Share-based payment reserve	11	637	375
TOTAL SHAREHOLDERS' FUNDS	12	22,686	21,544

The notes on pages 72 to 76 form part of these accounts

These accounts were approved by the Directors on 23 June 2008



 Jasper Xiberras
 Director Director

Company Accounting Policies

for the year ended 31 March 2008

BASIS OF PREPARATION

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

The Principal Accounting Policies of the Company are set out below. The policies have remained unchanged from the previous period. The policies remain the most appropriate for the year.

TURNOVER

Company turnover is the total amount receivable by the Company for goods supplied and services provided, excluding VAT and trade discounts.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their estimated useful economic lives. The range of estimated useful lives for each major assets category, which are reviewed annually are:

Leasehold property	Term of the lease
Office equipment, fixtures and fittings (including computer equipment) and motor vehicles	3 to 8 years

LEASED ASSETS

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

INVESTMENTS

Investments are included at cost less amounts written off.

DEFERRED TAXATION

Deferred tax is recognised on all timing differences where the transactions or events that give the Company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

FINANCIAL INSTRUMENTS

Financial assets are recognised in the balance sheet at the lower of cost and net realisable value.

Income and expenditure arising on the financial instruments is recognised on the accruals basis and credited or charged to the profit and loss account in the financial period to which it relates.

RETIREMENT BENEFITS

Defined contribution scheme

The pension costs charged against profits are the contributions payable to individual policies in respect of the accounting period.

SHARE-BASED PAYMENTS

The Company operates several share option plans for key employees. All share-based payment arrangements granted after 7 November 2002 that had not vested prior to 1 April 2006 are recognised in the financial statements.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

All equity-settled share-based payments are ultimately recognised as an expense in the profit and loss account with a corresponding credit to "share-based payment reserve".

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options that have vested are not exercised.

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

Notes to the Company Financial Statements
for the year ended 31 March 2008

1 PROFIT AND LOSS ACCOUNT

The Company's loss for the year is £4.38m (2007: £8.82m). As permitted by s230(3) of the Companies Act 1985, a separate profit and loss account has not been presented.

2 TANGIBLE FIXED ASSETS

	Office equipment £'000	Computer software £'000	Total £'000
Cost			
At 1 April 2007	356	134	490
Additions	10	12	22
At 31 March 2008	366	146	512
Depreciation			
At 1 April 2007	71	74	145
Provided in the year	51	35	86
At 31 March 2008	122	109	231
Net book value			
At 31 March 2008	244	37	281
At 31 March 2007	285	60	345

3 FIXED ASSET INVESTMENTS

	Subsidiary undertaking £'000
Cost and net book amount	
At 1 April 2007	31,279
Additions	528
Disposal	(8,006)
Impairment	(218)
At 31 March 2008	23,583

Notes to the Company Financial Statements *continued*
for the year ended 31 March 2008

3 FIXED ASSET INVESTMENT (continued)

At 31 March 2008, the principal undertakings where the Group held 20% or more of the equity share capital are shown below. A full list of subsidiary undertakings is listed on the Company annual return which is filed at Companies House and is also available from the Company Secretary upon request.

Subsidiary undertakings	Country of incorporation	Class of share capital held	Proportion held		Nature of business
			By parent Company	By subsidiary	
Supporta Care Limited	United Kingdom	Ordinary	100%		Home and social care provision
Supporta Services Limited	United Kingdom	Ordinary	100%		Support services
Staff VMS Limited	United Kingdom	Ordinary	100%		Back office services
Supporta Professional Services Limited	United Kingdom	Ordinary	100%		Architectural services
Independent Living Organisation Limited	United Kingdom	Ordinary		100%	Home and social care provision
Strathaven Nursing Homes Limited	United Kingdom	Ordinary		100%	Home and social care provision
Datacare Business Systems Limited	United Kingdom	Ordinary		100%	Data storage and scanning
Bay Associates Consulting Limited	United Kingdom	Ordinary		100%	Civil and structural engineering
TerraQuest Solutions Limited	United Kingdom	Ordinary	100%		Business process outsourcing and consultancy
Hallam Healthcare Limited	United Kingdom	Ordinary		100%	Home and social care provision

4 DEBTORS

	2008 £'000	2007 £'000
Trade debtors	250	1,441
Amounts owed by Group undertakings	28,629	19,428
Corporation tax	139	–
Other debtors	142	116
Prepayments and accrued income	452	198
	29,612	21,183

5 CASH AT BANK AND IN HAND

	2008 £'000	2007 £'000
Cash in Escrow	411	804

Notes to the Company Financial Statements *continued*
For the year ended 31 March 2008

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £'000	2007 £'000
Bank loans and overdrafts	8,340	7,804
Loan notes issued on acquisition	-	888
Trade creditors	568	311
Amounts owed to Group undertakings	7,226	4,887
Social security and other taxes	224	164
Accruals and deferred income	322	892
Deferred consideration	2,221	2,283
Amounts due under hire purchase contracts	-	9
	18,901	17,238

The bank loans and overdrafts are secured by a fixed and floating charge over all assets of the Group

There are no amounts due under hire purchase contracts.

7 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2008 £'000	2007 £'000
Bank loans and overdrafts	12,280	12,588
Deferred consideration	-	2,221
	12,280	14,809

8 PROVISIONS FOR LIABILITY AND CHARGES

	2008 £'000	2007 £'000
Other provisions	20	20
	20	20

The £0.02m other provisions for the Company is dilapidation provision

Notes to the Company Financial Statements *continued*

For the year ended 31 March 2008

9 BORROWINGS

	2008 £'000	2007 £'000
Within one year, or on demand		
Bank and other borrowings	8,340	7,804
Hire purchase contracts		9
After one and within two years		
Bank and other borrowings	3,145	4,318
Between two and five years		
Bank and other borrowings	9,135	8,270
	20,620	20,401

10 SHARE CAPITAL

	2008 £'000	2007 £'000
Authorised		
100,000,000 ordinary shares of 5p each (2007 100,000)	5,000	5,000
Allotted, called up and fully paid		
81,547,450 ordinary shares of 5p each (2007 67,402,493)	4,077	3,370

Allotments during the year of new ordinary 5p shares were as follows

- 4 December 2007 - 2,602,046 shares were issued in order to satisfy the deferred consideration relating to the acquisition in November 2006 of TerraQuest Solutions Limited
- 2 January 2008 - 11,542,911 shares were issued at 38.25p per share in order to fund the acquisition of Hallam Healthcare Limited

There were no exercise of employee share options during the year

11 SHARE PREMIUM ACCOUNT AND RESERVES

	Share premium account £'000	Profit and loss account £'000	Share based payment reserves £'000
At 1 April 2007	30,320	(12,521)	375
Retained loss for the year	-	(4,380)	-
FRS 20 share-based payment reserve movement	-	-	262
Premium on allotment during the year	4,553	-	-
At 31 March 2008	34,873	(16,901)	637

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £'000	2007 £'000
Loss for the financial year	(4,380)	(8,821)
FRS 20 share-based payment reserve movement	262	252
Issue of shares	707	3,877
Net (decrease)/increase in shareholders' funds	(3,411)	(4,692)
Shareholders' funds at 1 April	21,544	26,236
Shareholders' funds at 31 March	18,133	21,544

Notes to the Company Financial Statements *continued*

For the year ended 31 March 2008

13 PENSION SCHEMES

The Company contributes to personal pension schemes of certain Directors and employees. The Company operates a stakeholder pension plan available to all employees

The Company does not operate a defined benefits scheme

14 SHARE-BASED PAYMENTS

	2008 options exercised	2007 options exercised	2008 weighted average exercise price (pence)	2007 weighted average exercise price (pence)
Outstanding at 1 April	5,194,553	3,818,902	66.1	66.0
Grant during the year	1,565,902	1,645,651	60.7	65.9
Forfeited during the year	(1,460,083)	(190,000)	78.1	70.5
Exercised during the year	-	(80,000)	-	50.0
Outstanding at 31 March	5,300,372	5,194,553	61.1	66.1
Exercisable at 31 March	5,300,372	5,194,553	61.1	66.1

The inputs into the Black-Scholes valuation model for options granted during the year were as follows

	2008	2007
Weighted average share price	36.6 p	71.1 p
Weighted average exercise price	60.8 p	65.6 p
Expected volatility	24.3 %	44.0 %
Expected life	4 years	4 years
Risk free rate	4.5 %	5.0 %
Expected dividend yield	0 %	0 %

Company Information

COMPANY REGISTRATION NUMBER

04002389

REGISTERED OFFICE

3 Kingmaker Court
Warwick Technology Park
Warwick
CV34 6UT

DIRECTORS

Dr C Grace	Non-executive Chairman
J Jasper	Group Chief Executive
M Curran	Managing Director, Supporta Professional Services
D Xiberras	Group Finance Director
B Walsh	Managing Director, Supporta
N Scholte	Non-executive Director

SECRETARY

S Birks

BANKERS

Barclays Bank Plc
Corporate Banking Centre
P O Box 11
Park House, Newbrick Road
Stoke Gifford
Bristol
BS34 8TN

SOLICITORS

Eversheds
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

AUDITORS

Grant Thornton UK LLP
Registered Auditors
Chartered Accountants
1 Westminster Way
Oxford
OX2 0PZ

NOMINATED ADVISOR AND STOCKBROKER

Brewin Dolphin
12 Smithfield Street
London
EC1A 9BD