

**WORLD FIRST UK LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 JANUARY 2009**

**Registered Number: 5022388**

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**WORLD FIRST UK LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 JANUARY 2009**

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<b>CONTENTS</b>	<b>Page</b>
Directors' report	1 – 2
Independent auditors' report	3
Consolidated profit and loss account	4
Consolidated balance sheet	5
Company balance sheet	6
Consolidated cash flow statement	7
Notes to the financial statements	8 – 15

**WORLD FIRST UK LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 JANUARY 2009**

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**DIRECTORS**

J R A Quin  
N J G Robinson

**COMPANY SECRETARY**

J R A Quin

**REGISTERED OFFICE**

Regent House  
16-18 Lombard Road  
Battersea  
London  
SW11 3RB

**COMPANY NUMBER**

5022388

**AUDITORS**

haysmacintyre  
Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

## **WORLD FIRST UK LIMITED**

### **DIRECTORS' REPORT**

**YEAR ENDED 31 JANUARY 2009**

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The directors present their report together with the audited financial statements for the year ended 31 January 2009.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the Group was that of a specialist foreign exchange provider to private clients and corporate clients. The Group offers spot contracts, forward contracts and foreign exchange option contracts to clients.

World First Markets Limited is regulated by the Financial Services Authority (FSA).

#### **BUSINESS REVIEW**

The directors were satisfied with the results for the financial year and are forecasting further growth in 2009. During the year the UK business increased its transaction turnover by over 48% and New Zealand nearly doubled its turnover. In January 2009 we launched our new Australian office and are hopeful that this will replicate the success seen elsewhere. We will consider further geographic expansion in 2009. The group continues to show a strong balance sheet position with net assets as shown below.

The total currency turnover for the year was £765m (2008: £516m, 2007: £306m, 2006: £133m).

#### **KEY FINANCIAL HIGHLIGHTS**

Turnover	£764.9m (2008: £516.1m)
Gross Profit	£5.1m (2008: £3.0m)
Net Profit before tax	£1.8m (2008: £1.2m)
Net Profit after tax	£1.2m (2008: £0.9m)
Dividends in respect of previous year	£562k (2008: £424k)
Shareholders' funds	£1.8m (2008: £1.1m)

#### **DIRECTORS**

The directors who served during the year were:

J R A Quin  
N J G Robinson

#### **RISKS AND UNCERTAINTIES**

##### **Economic environment**

The directors believe that the wider economic slowdown may impact their business in 2009. However, with a diversified and established client base, the directors are confident the Group will continue to grow despite a British economy in recession. A budget gross profit and net profit rate have been set allowing for growth but below the rate of growth achieved in the year to 31 January 2009 (profit after tax increase of 43%). The knock-on effect of the weak economy is a weak pound. We traditionally have had a higher proportion of clients who were net sellers of pounds so have been diversifying our client basis to incorporate more exporters). We have tightened our procedures around any exposure we have to clients to avoid or mitigate losses.

##### **Regulation and Compliance risk**

Over the course of 2008 we continued to improve our compliance procedures and remain confident that these are second-to-none. We also continue to exceed the financial resource requirements set by the FSA for World First Markets Limited. Through the implementation of the Payment Services Directive, the FSA will take over the regulation of foreign exchange companies from HMRC from November 2009 and we plan to be in the first group of companies to comply with this. This regulation will increase the costs and work associated with doing business, however the directors feel that overall this is a good development for our market. We believe it will prove advantageous having gone through the FSA registration procedure before for World First Markets Limited.

##### **Euro**

The replacement of Sterling by the Euro would have a significant impact on Turnover and Profitability of the Group, however, the directors do not regard this as a likely occurrence in the foreseeable future.

**WORLD FIRST UK LIMITED**

**DIRECTORS' REPORT (continued)**

**YEAR ENDED 31 JANUARY 2009**

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**RISKS AND UNCERTAINTIES (continued)**

**Competition**

The group faces competition from the banks and other foreign exchange providers. World First has always focused on price and service which has helped us to grow faster than almost all our competitors. During the course of 2009 we also hope to use innovation as a differentiator.

**Corporate Responsibility**

During the year we continued to try and minimise our carbon footprint which we consider to be low for a company of our size.

The company recycles almost all paper utilised. We donated £14,222 to a selection of charities nominated by staff (none of which were political organisations).

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the company and the group for that period. In preparing those financial statements, the directors are required to;

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

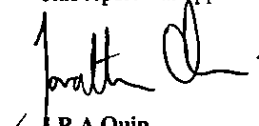
So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are 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 auditors are aware of that information.

**AUDITORS**

The auditors, haysmacintyre will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

This report was approved by the board on 14 May 2009 and signed on its behalf:

  
**J R A Quin**  
Director

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS  
OF WORLD FIRST UK LIMITED**

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We have audited the financial statements of World First UK Limited for the year ended 31 January 2009 which comprise the Consolidated Profit and Loss Account, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

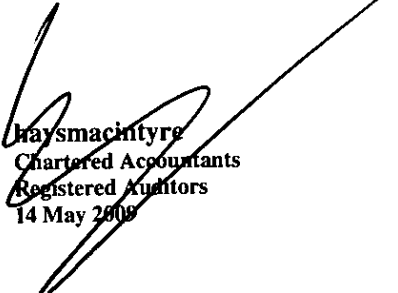
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the affairs of the group and the company as at 31 January 2009 and of the profit of the group for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

  
PricewaterhouseCoopers  
Chartered Accountants  
Registered Auditors  
14 May 2009

Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

**WORLD FIRST UK LIMITED****CONSOLIDATED PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 JANUARY 2009**

	Notes	2009 £	2008 £
<b>TURNOVER</b>	2	764,936,705	516,061,420
Cost of sales		(759,873,065)	(513,081,513)
<b>GROSS PROFIT</b>		5,063,640	2,979,907
Administrative expenses		(3,571,334)	(1,935,699)
Other operating income/(expense)		21,669	(1,630)
<b>OPERATING PROFIT</b>	3	1,513,975	1,042,578
Interest receivable		242,814	211,460
Interest payable	8	(4,564)	(20,264)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,752,225	1,233,774
Tax on profit on ordinary activities	9	(517,031)	(371,643)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	16	£1,235,194	£862,131

All amounts relate to continuing operations.

All recognised gains and losses in the current year are included in the profit and loss account.

The notes on pages 8 to 15 form part of these financial statements.

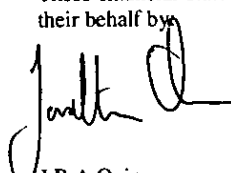
**WORLD FIRST UK LIMITED**

**CONSOLIDATED BALANCE SHEET**

**AT 31 JANUARY 2009**

	Notes	2009		2008	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	10		30,368		36,438
Investments	11		500		500
			<u>30,868</u>		<u>36,938</u>
<b>CURRENT ASSETS</b>					
Debtors	12	693,622		366,515	
Cash at bank and in hand		<u>10,973,930</u>		<u>6,190,231</u>	
		11,667,552		6,556,746	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(9,922,977)</u>		<u>(5,501,264)</u>	
<b>NET CURRENT ASSETS</b>			<u>1,744,575</u>		<u>1,055,482</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>£1,775,443</u>		<u>£1,092,420</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		100		100
Other reserves	16		12,360		2,400
Profit and loss account	16		<u>1,762,983</u>		<u>1,089,920</u>
<b>SHAREHOLDERS' FUNDS</b>	17		<u>£1,775,443</u>		<u>£1,092,420</u>

These financial statements were approved and authorised for issue by the Board on 14 May 2009 and were signed on their behalf by

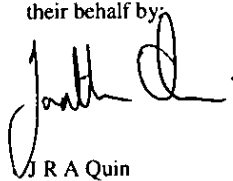
  
J R A Quin  
Director

The notes on pages 8 to 15 form part of these financial statements.

**WORLD FIRST UK LIMITED**  
**COMPANY BALANCE SHEET**  
**AT 31 JANUARY 2009**

	Notes	2009	2008
		£	£
<b>FIXED ASSETS</b>			
Tangible fixed assets	10	30,368	36,438
Investments		237,814	500
		<u>268,182</u>	<u>36,938</u>
<b>CURRENT ASSETS</b>			
Debtors	12	1,154,807	366,515
Cash at bank and in hand		9,256,434	6,190,231
		<u>10,411,241</u>	<u>6,556,746</u>
<b>CREDITORS: amounts falling due within one year</b>	13	(8,972,861)	(5,501,264)
<b>NET CURRENT ASSETS</b>		<u>1,438,380</u>	<u>1,055,482</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>£1,706,562</u>	<u>£1,092,420</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	100	100
Other reserves	16	12,360	2,400
Profit and loss account	16	1,694,102	1,089,920
<b>SHAREHOLDERS' FUNDS</b>	17	<u>£1,706,562</u>	<u>£1,092,420</u>

These financial statements were approved and authorised for issue by the Board on 14 May 2009 and were signed on their behalf by:



J R A Quin  
Director

The notes on pages 8 to 15 form part of these financial statements.

**WORLD FIRST UK LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 JANUARY 2009**

	Notes	2009 £	2008 £
<b>Net cash inflow from operating activities</b>	22	5,510,173	1,483,786
<b>Returns on investments and servicing of finance</b>			
Interest received	23	242,814	211,460
Interest paid		(4,564)	(20,264)
<b>Net cash inflow from returns on investments and servicing of finance</b>	23	238,250	191,196
<b>Taxation</b>			
UK Corporation tax paid		(375,019)	(257,200)
<b>Capital expenditure and financial investment</b>	23	(27,574)	(44,408)
<b>Cash outflow before use of financing</b>		5,345,830	1,373,374
<b>Financing</b>			
Equity dividends paid in respect of prior year		(562,131)	(424,000)
New secured loan		-	-
		(562,131)	(424,000)
<b>Increase in cash</b>	24	<u>£4,783,699</u>	<u>£949,374</u>

The notes on pages 8 to 15 form part of these financial statements.

**WORLD FIRST UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JANUARY 2009**

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**1. ACCOUNTING POLICIES**

**Basis of preparation**

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

**Turnover**

Turnover comprises the gross selling price of currency. The cost to purchase currency is treated as a cost of sale.

**Basis of Consolidation**

The consolidated financial statements incorporate the results of World First UK Limited and all its subsidiary undertakings as at 31 January 2009 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

A separate profit and loss account for the company has not been presented as permitted under Section 230 of the Companies Act 1985.

The results of the parent company are shown in note 16.

**Depreciation**

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets, evenly over their expected useful lives as follows:

Office equipment	- 25% per annum
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**Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

**Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company fund in respect of the year.

**Operating leases**

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**WORLD FIRST UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 JANUARY 2009****1. ACCOUNTING POLICIES (continued)****Valuation of investments**

Investments held as fixed assets are stated at cost less any provision for impairment.

**Foreign currency**

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

**Share based payments**

FRS 20 requires the Group to recognise an expense in respect of the granting over shares to employees and directors. This expense, which is calculated by reference to the fair value of the options granted, is recognised on a straight line basis over the vesting period based on the Group's estimate of options that will eventually vest.

**2. TURNOVER**

Turnover is wholly attributable to the principal activities of the company and the group and is analysed by destination as follows:

	2009 £	2008 £
United Kingdom	721,649,183	506,990,882
Rest of the World	43,287,522	9,070,538
	<u>£764,936,705</u>	<u>£516,061,420</u>

**3. OPERATING PROFIT**

This has been arrived at after charging/(crediting):

	2009 £	2008 £
Depreciation – owned assets	33,644	29,544
Operating lease rentals	107,657	45,656
Difference on foreign exchange	(46,986)	1,863
Auditor's remuneration – audit fees	13,000	10,750
Auditor's remuneration – non-audit fees	5,000	-
Directors remuneration (note 6)	233,833	223,973
	<u>£249,148</u>	<u>£86,786</u>

**4. OTHER OPERATING INCOME/(EXPENSES)**

	2009 £	2008 £
Sundry income/(expenses)	<u>£21,669</u>	<u>£(1,630)</u>

**5. EMPLOYEES**

Staff costs consist of:

	2009 £	2008 £
Wages and salaries	2,217,287	1,180,440
Social security costs	197,943	126,308
Other pension costs	69,562	48,896
	<u>£2,484,792</u>	<u>£1,355,644</u>

The average number of employees, including directors, during the year was 54 (2008: 31).

**WORLD FIRST UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 JANUARY 2009**

<b>6. DIRECTORS REMUNERATION</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Directors remuneration consists of:		
Directors emoluments	£210,833	£199,973
Company pension contributions to money purchase pension schemes	£23,000	£24,000
During the year retirement benefits were accruing to 2 directors (2008: 2) in respect of money purchase pension schemes. The highest paid director received remuneration of £110,000 (2008: £100,000).		
The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £12,000 (2008: £12,000).		
<b>7. INTEREST RECEIVABLE</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Bank and other interest receivable	£230,006	£211,460
<b>8. INTEREST PAYABLE</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Bank loan and overdrafts	£4,564	£20,264
<b>9. TAXATION</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
(a) The charge for the year is analysed as follows:-		
<b>Current tax</b>		
U.K. Corporation tax on profits for the year (note 9(b))	522,956	374,784
Adjustment in respect of prior years	235	-
Total current tax	523,191	374,784
<b>Deferred tax</b>		
Accelerated capital allowances	(4,730)	(2,421)
Short term timing differences	(1,430)	(720)
Total deferred tax asset	£(6,160)	£(3,141)
Tax on profit on ordinary activities	£517,031	£371,643

**WORLD FIRST UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 JANUARY 2009****9. TAXATION (continued)****(b) Factors affecting tax charge for year:-**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 28% (2008: 30%).

The differences are explained below:

	2009 £	2008 £
Profit on ordinary activities before tax	£1,752,225	£1,233,774
Profit on ordinary activities at the standard rate of corporation tax in the UK of 28% (2008: 30%)	490,623	370,132
Effects of:		
Expenses not deductible for tax purposes	18,943	7,383
Capital allowances for year less than depreciation	4,959	2,421
Benefit of small companies rate	(6,779)	(5,872)
Employee share option charge	2,789	720
Double tax relief	(4,084)	-
Effect of change in tax rate	6,179	-
Other timing differences	10,326	-
Current tax charge for year	£522,956	£374,784

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

There were no factors that may affect future tax charges.

**10. TANGIBLE FIXED ASSETS****GROUP & COMPANY**

	Office equipment £	Total £
<b>Cost</b>		
At 1 February 2008	74,377	74,377
Additions	27,574	27,574
At 31 January 2009	101,951	101,951
<b>Depreciation</b>		
At 1 February 2008	37,939	37,939
Provided for the year	33,644	33,644
At 31 January 2009	71,583	71,583
<b>Net Book Value</b>		
At 31 January 2009	£30,368	£30,368
At 31 January 2008	£36,438	£36,438

**WORLD FIRST UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 JANUARY 2009**

<b>11. FIXED ASSET INVESTMENTS - COMPANY</b>	<b>Other investments £</b>	<b>Subsidiary undertakings £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 February 2008	500	-	500
Additions – subsidiary	-	237,314	237,314
At 31 January 2009	500	237,314	237,814
<b>Net Book Value</b>			
At 31 January 2009	£500	£237,314	£237,814
At 31 January 2008	£500	£-	£500

**Subsidiary undertakings**

The principal undertakings in which the company has a 20% interest or more are as follows:

<b>Subsidiary undertakings</b>	<b>Country of Incorporation or registration</b>	<b>Proportion of voting rights and ordinary share capital held</b>	<b>Nature of business</b>
World First Markets Limited	United Kingdom	100%	Currency options
World First PTY Limited	Australia	100%	Foreign exchange broker

**FIXED ASSET INVESTMENTS - GROUP**

	<b>Other investments £</b>
<b>Cost</b>	
At 1 February 2008 and 31 January 2009	£500
<b>Net Book Value</b>	
At 1 February 2008 and 31 January 2009	£500

<b>12. DEBTORS: amounts falling due within one year</b>	<b>Group</b>		<b>Company</b>	
	<b>2009 £</b>	<b>2008 £</b>	<b>2009 £</b>	<b>2008 £</b>
Trade debtors	18,481	4,079	18,481	4,079
Prepayments and accrued income	464,826	359,295	464,826	359,295
Amounts owed by subsidiary undertakings	-	-	465,817	-
Other debtors	201,014	-	196,382	-
Deferred tax asset (note 14)	9,301	3,141	9,301	3,141
	<u>£693,622</u>	<u>£366,515</u>	<u>£1,154,807</u>	<u>£366,515</u>

**WORLD FIRST UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 JANUARY 2009**

13. CREDITORS: amounts falling due within one year	Group		Company	
	2009 £	2008 £	2009 £	2008 £
Trade creditors	8,965,286	5,059,597	7,902,555	5,059,597
Corporation tax	522,956	374,784	490,613	374,784
Accruals and deferred income	434,249	3,848	427,377	3,848
Other creditors	486	63,035	486	63,035
Amounts due to subsidiary undertakings	-	-	151,830	-
	<u>£9,922,977</u>	<u>£5,501,264</u>	<u>£8,972,861</u>	<u>£5,501,264</u>
14. DEFERRED TAXATION ASSET			2009 £	2008 £
Deferred tax				
As at 1 February 2008			3,141	-
Credited to profit and loss account in year			6,160	3,141
As at 31 January 2009			<u>£9,301</u>	<u>£3,141</u>
The asset is made up as follows:				
Accelerated capital allowances			7,151	2,421
Other timing differences – share option charge			2,150	720
			<u>£9,301</u>	<u>£3,141</u>
15. SHARE CAPITAL			2009 £	2008 £
Authorised:				
1,050,000 Ordinary shares of £0.0001 each			105	105
Allotted, called up and fully paid:				
1,000,000 Ordinary shares of £0.0001 each			100	100
16. RESERVES			Other reserves £	Profit and loss account £
Group				
At 1 February 2008			2,400	1,089,920
Profit for the year			-	1,235,194
Dividends in respect of previous year			-	(562,131)
Share based payments			9,960	-
At 31 January 2009			<u>£12,360</u>	<u>£1,762,983</u>
Company				
At 1 February 2008			2,400	1,089,920
Profit for the year			-	1,166,313
Dividends in respect of previous year			-	(562,131)
Share based payments			9,960	-
At 31 January 2009			<u>£12,360</u>	<u>£1,694,102</u>

**WORLD FIRST UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 JANUARY 2009**

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	Group		Company	
	2009 £	2008 £	2009 £	2008 £
Profit for the year	1,235,194	862,131	1,166,313	862,131
Dividends in respect of previous year	(562,131)	(424,000)	(562,131)	(424,000)
Share based payments	9,960	2,400	9,960	2,400
Net addition to shareholders' funds	683,023	440,531	614,142	440,531
Opening shareholders' funds	1,092,420	651,889	1,092,420	651,889
Closing shareholders' funds	<u>£1,775,443</u>	<u>£1,092,420</u>	<u>£1,706,562</u>	<u>£1,092,420</u>

18. DIVIDENDS	2009 £	2008 £
Dividends paid on equity capital in respect of previous year	<u>£562,131</u>	<u>£424,000</u>

**19. COMMITMENTS UNDER OPERATING LEASES**

As at 31 January 2009, the group and company had annual commitments under non-cancellable operating leases as set out below:

	Group and company	
	2009 £	2008 £
<b>Land and buildings</b>		
Operating leases which expire:		
Within one year	26,036	33,023
In two to five years	131,100	26,036
	<u>£157,136</u>	<u>£59,059</u>

**20. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The pension cost charge for the year was £69,562 (2008: £48,897). There were no amounts included within creditors at the balance sheet date (2008: £Nil).

**21. SHARE BASED PAYMENTS**

The company has awarded employees share options on a discretionary basis. These options have been accounted for under FRS 20 "Share-based payments", with an appropriate charge to the profit and loss account. This expense is calculated by reference to the fair value of the options and is recognised on a straight line basis over the vesting period. The vesting period of all options in issue is 10 years from date of grant.

**WORLD FIRST UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 JANUARY 2009**

**21. SHARE BASED PAYMENTS (continued)**

	<b>Date of grant</b>	<b>Exercise price</b>	<b>No. of employees holding options</b>	<b>No. of shares under options</b>
At 1 February 2008	20 July 2007	£1.20	3	8,000
Options granted during the year	13 February 2008	£2.00	3	17,000
Options exercised/lapsed during the year	20 July 2007	£1.20	1	(2,000)
Options outstanding at 31 January 2009			<u>4</u>	<u>23,000</u>

**22. RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2009 £</b>	<b>2008 £</b>
Operating profit	1,513,975	1,042,578
Depreciation of tangible fixed assets	33,644	24,544
Increase in debtors	(320,947)	(192,883)
Increase in creditors	4,273,541	606,647
Loss on sale of fixed assets	-	500
Share based payments	9,960	2,400
<b>Net cash inflow from operating activities</b>	<u>£5,510,173</u>	<u>£1,483,786</u>

**23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	<b>2009 £</b>	<b>2008 £</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	242,814	211,460
Interest paid	(4,564)	(20,264)
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<u>£238,250</u>	<u>£191,196</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(27,574)	(47,408)
Sale of tangible fixed assets	-	(500)
Sale of unlisted and other investments	-	3,500
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>	<u>£(27,574)</u>	<u>£(44,408)</u>

**24. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1 February 2008 £</b>	<b>Cash flow £</b>	<b>Other Non-cash Changes £</b>	<b>At 31 January 2009 £</b>
Cash at bank and in hand	6,190,231	4,783,699	-	10,973,930
<b>NET FUNDS</b>	<u>£6,190,231</u>	<u>£4,783,699</u>	<u>£ -</u>	<u>£10,973,930</u>

**25. ULTIMATE CONTROLLING PARTY**

The directors do not consider there to be an ultimate controlling party.