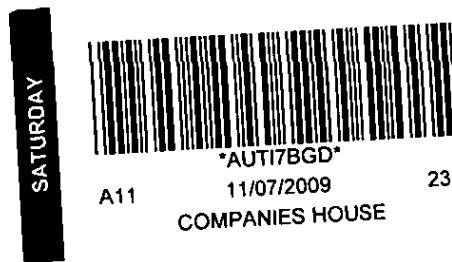


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**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009
FOR
DANIELI HOLDINGS LIMITED**



DANIELI HOLDINGS LIMITED

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FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009**

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DANIEL HOLDINGS LIMITED

COMPANY INFORMATION

FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009

DIRECTORS:

N A Winch
S W Howe

SECRETARY:

N A Winch

REGISTERED OFFICE:

Silverbirch House
Silverbirch
Camperdown Industrial Estate
Newcastle upon Tyne
Tyne and Wear
NE12 5UJ

REGISTERED NUMBER:

06599929 (England and Wales)

AUDITORS:

Robson Laidler LLP
Fernwood House
Fernwood Road
Jesmond
Newcastle
NE2 1TJ

DANIELI HOLDINGS LIMITED

REPORT OF THE DIRECTORS

FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009

The directors present their report with the financial statements of the company and the group for the period 21 May 2008 to 30 April 2009.

INCORPORATION

The group was incorporated on 21 May 2008.

PRINCIPAL ACTIVITIES

The principal activities of the group in the period under review were those of security services, domiciliary care and training services.

REVIEW OF BUSINESS

We have undertaken an analysis of the group companies' activities and performance and closing year end position. Our review has considered the market conditions prevailing, the opportunities and risks that each company has encountered during the year and we have anticipated what could occur going forward.

The subsidiaries were acquired in May 2008 so the comparative figures relate to periods when they were not within the group.

Phoenix Security UK Limited

The principal activity of the company has been, and will continue to be, the supply of door supervisors to the licensed trade in the UK.

During the year sales, gross and net profit margins before tax were :-

	2009	2008
	£	£
Sales	5,706,184	5,509,573
Gross profit	993,693	905,966
Net profit	253,879	174,068

Sales during the financial year were better than expected, taking into account the economic downturn within the leisure industry. This was achieved primarily due to focusing on our existing customers, offering the highest standard of service possible.

The gross profit has increased. However, the margin achieved for 2009 is more in line with our expectations; whereas the margin in 2008 was lower than was expected.

The net profit margin has increased, primarily due to the increase in the gross profit margin; overheads before tax, depreciation and finance charges have increased slightly by 1.7%. However, this was within expectations.

The financial year ahead will be a difficult one as the recession bottoms out, but, as in the last financial year, the directors feel we will buck the trend, with sales increases of at least what was achieved in 2009, as well as retaining the gross profit and net profit margin achieved in the current financial year moving forward.

Phoenix Eye Limited

The principal activity of the company has been, and will continue to be, the supply of security guards, stadium security and close circuit television installation, maintenance and monitoring. The emphasis will be on the migration of sites with a physical guard to a monitored C.C.T.V system.

During the year sales, gross and net profit margins before tax were :-

	2009	2008
	£	£
Sales	1,671,748	139,095
Gross profit	440,996	31,630
Net profit	94,248	(11,405)

DANIELI HOLDINGS LIMITED

REPORT OF THE DIRECTORS FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009

Sales during the financial year have increased significantly but this is due to the 2008 period being for a short period from 4 September 2007.

The gross profit margin is within the expected range.

The net profit margin has increased. However, we can draw little information from the prior year comparison with such low sales over the period. The current level of net profit is acceptable as a percentage of sales; however we are anticipating an increase in the next financial year.

The financial year ahead will be a good one and we expect to increase sales by 35%. The gross profit margin will be retained and the net profits will increase in line with the increase in sales.

Executive Training Solutions Limited

The principal activity of the company has been, and will continue to be, the delivery of training programmes within the security sector with the emphasis on train to gain, encompassing national vocational qualifications and skills for life.

During the year sales, gross and net profit margins before tax were :-

	2009 £	2008 £
Sales	907,324	463,473
Gross profit	723,848	416,588
Net profit	352,973	150,902

Sales during the financial year have increased by 95%. However, the percentage increase is understated as the 2008 period was for a shorter period of 6 months. This growth was primarily due to an increase in the customer base.

The gross profit margin is within the expected range even though there has been some erosion as a comparison with the 2008 figures. The level of the 2008 margin was not sustainable and has reduced primarily due to the increase in staffing levels required to support the back office support structure.

The net profit margin has increased, due primarily to the increase in sales.

The financial year ahead will be similar to the last one in all areas of sales and margin.

Care Line Homecare Limited

The principal activity of the company has been, and will continue to be, the supply of carers for the provision of domiciliary care to local authorities and private individuals.

During the year sales, gross and net profit margins before tax were :-

	2009 £	2008 £
Sales	2,353,001	1,826,062
Gross profit	665,800	537,169
Net profit	305,450	224,240

Sales during the financial year have increased by 29%. However, the percentage increase is far higher if you factor in the 17 month period used as a comparison for the previous period. This growth was due to organic growth as well as the acquisition of another domiciliary care business in October 2008.

The gross profit margin is within the expected range, even though there has been some slight erosion. This was primarily due to some disparity in pay rates as a result of the acquisition of the new business which has now been addressed.

DANIELI HOLDINGS LIMITED

REPORT OF THE DIRECTORS FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009

The net profit margin has increased, primarily due to the increase in volume sales, resulting in the overhead/salary cost of the administration side of the business reducing as a percentage of the turnover.

The financial year ahead will be a good one and we expect to increase sales by 50%, with 40% coming from the acquisition of the domiciliary care business purchased in October 2008 and 10% through organic growth. The gross profit margin will be retained and the net profit will increase in line with the increase in sales.

The directors consider the group results for the period and the period end position to be satisfactory.

DIVIDENDS

No dividends will be distributed for the period ended 30 April 2009.

DIRECTORS

The directors who have held office during the period from 21 May 2008 to the date of this report are as follows:

N A Winch - appointed 21 May 2008

S W Howe - appointed 21 May 2008

Both the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

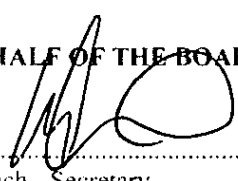
DANIELI HOLDINGS LIMITED

**REPORT OF THE DIRECTORS
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009**

AUDITORS

The auditors, Robson Laidler LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
N A Winch - Secretary

Date: 8.7.2009

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DANIELI HOLDINGS LIMITED

We have audited the group and company financial statements of Danieli Holdings Limited for the period ended 30 April 2009 on pages seven to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. 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 a Report of the Auditors 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 explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2009 and of the group's profit for the period then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Peter Charles (Senior Statutory Auditor)
for and on behalf of Robson Laidler LLP
Fernwood House
Fernwood Road
Jesmond
Newcastle
NE2 1TJ

Date: 8 July 2009

DANIELI HOLDINGS LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009**

	Notes	£	£
TURNOVER	2		10,553,551
Acquisitions		<u>10,553,551</u>	
Cost of sales	3		<u>6,071,941</u>
GROSS PROFIT	3		4,481,610
Net operating expenses	3		<u>3,449,919</u>
OPERATING PROFIT	5		1,031,691
Acquisitions		<u>1,031,691</u>	
Interest payable and similar charges	6		<u>38,761</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			992,930
Tax on profit on ordinary activities	7		<u>314,498</u>
PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION			<u>678,432</u>

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profit for the current period.

The notes form part of these financial statements

DANIELI HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET
30 APRIL 2009

	Notes	£	£
FIXED ASSETS			
Intangible assets	9		1,761,227
Tangible assets	10		454,756
Investments	11		-
			<u>2,215,983</u>
CURRENT ASSETS			
Stocks	12	81,640	
Debtors	13	1,953,015	
Cash in hand		1,643	
		<u>2,036,298</u>	
CREDITORS			
Amounts falling due within one year	14	3,443,106	
NET CURRENT LIABILITIES			<u>(1,406,808)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			809,175
CREDITORS			
Amounts falling due after more than one year	15		(106,324)
PROVISIONS FOR LIABILITIES	19		<u>(23,419)</u>
NET ASSETS			<u><u>679,432</u></u>
CAPITAL AND RESERVES			
Called up share capital	20		1,000
Profit and loss account	21		<u>678,432</u>
SHAREHOLDERS' FUNDS	24		<u><u>679,432</u></u>

The financial statements were approved by the Board of Directors on 8.7.2009 and were signed on its behalf by:


.....
N A Winch - Director


The notes form part of these financial statements

DANIELI HOLDINGS LIMITED

COMPANY BALANCE SHEET
30 APRIL 2009

	Notes	£	£
FIXED ASSETS			
Intangible assets	9		-
Tangible assets	10		-
Investments	11		<u>1,847,167</u>
			<u>1,847,167</u>
CURRENT ASSETS			
Debtors	13	8,585	
CREDITORS			
Amounts falling due within one year	14	<u>1,797,199</u>	
NET CURRENT LIABILITIES			<u>(1,788,614)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>58,553</u></u>
CAPITAL AND RESERVES			
Called up share capital	20		1,000
Profit and loss account	21		<u>57,553</u>
SHAREHOLDERS' FUNDS	24		<u><u>58,553</u></u>

The financial statements were approved by the Board of Directors on 8.7.2009 and were signed on its behalf by:


.....
N A Winch - Director

The notes form part of these financial statements

DANIELI HOLDINGS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009**

	Notes	£	£
Net cash inflow from operating activities	1		298,072
Returns on investments and servicing of finance	2		(38,761)
Capital expenditure	2		(2,169,842)
			<u>(1,910,531)</u>
Financing	2		1,784,498
Decrease in cash in the period			<u><u>(126,033)</u></u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		(126,033)	
Cash inflow from increase in debt and lease financing		<u>(1,084,466)</u>	
Change in net debt resulting from cash flows			(1,210,499)
New finance leases			<u>(228,803)</u>
Movement in net debt in the period			(1,439,302)
Net debt at 21 May			<u>-</u>
Net debt at 30 April			<u><u>(1,439,302)</u></u>

The notes form part of these financial statements

DANIELI HOLDINGS LIMITED

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	£
Operating profit	1,031,691
Depreciation charges	182,099
Loss on disposal of fixed assets	564
Increase in stocks	(81,640)
Increase in debtors	(1,953,015)
Increase in creditors	1,118,373
	<hr/>
Net cash inflow from operating activities	298,072
	<hr/>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	£
Returns on investments and servicing of finance	
Interest paid	(14,856)
Interest element of hire purchase payments	(23,905)
	<hr/>
Net cash outflow for returns on investments and servicing of finance	(38,761)
	<hr/>
Capital expenditure	
Purchase of intangible fixed assets	(1,853,516)
Purchase of tangible fixed assets	(364,501)
Sale of tangible fixed assets	48,175
	<hr/>
Net cash outflow for capital expenditure	(2,169,842)
	<hr/>
Financing	
Debt factoring finance advance	1,152,022
Capital repayments in year	(67,557)
Amount introduced by directors	699,033
Share issue	1,000
	<hr/>
Net cash inflow from financing	1,784,498
	<hr/>

DANIELI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009

3. ANALYSIS OF CHANGES IN NET DEBT

	At 21.5.08 £	Cash flow £	Other non-cash changes £	At 30.4.09 £
Net cash:				
Cash at bank and in hand	-	1,643		1,643
Bank overdraft	-	(127,676)		(127,676)
	-	(126,033)		(126,033)
Debt:				
Hire purchase	-	67,556	(228,803)	(161,247)
Debts falling due within one year	-	(1,152,022)	-	(1,152,022)
	-	(1,084,466)	(228,803)	(1,313,269)
Total	-	(1,210,499)	(228,803)	(1,439,302)

4. PURCHASE OF SUBSIDIARY UNDERTAKINGS

Net assets acquired

	£
Tangible fixed assets	328,550
Stocks	94,948
Debtors	1,682,647
Cash at bank and in hand	4,231
Bank overdrafts	(391,578)
Debt factoring liabilities	(576,778)
Hire purchase liabilities	(118,543)
Creditors	(937,825)
	85,652
Goodwill	1,761,515
	1,847,167

The acquisitions were satisfied by cash.

The notes form part of these financial statements

DANIELI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009

1. ACCOUNTING POLICIES

Accounting convention

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

Basis of consolidation

The results of all subsidiaries are included in the group profit and loss account from the date of acquisition under the acquisition method of accounting.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Purchased goodwill is amortised by equal annual instalments over its estimated useful life of 5 or 10 years.

Goodwill arising on consolidation is the excess of purchase consideration over fair value of the assets of the companies acquired. In the consolidated accounts the amount of goodwill is capitalised and amortised over 20 years, which, in the opinion of the directors, is the period the company will derive the economic benefit from this goodwill.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Radios	- 25% on reducing balance
Plant and machinery	- 20% on reducing balance and 15% on cost
Fixtures and fittings	- 25% on cost and 20% on reducing balance
Motor vehicles	- 25% on reducing balance and 25% on cost
Office equipment	- 25% on reducing balance, 25% on cost and 20% on reducing balance

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

DANIELI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	£
Security services	5,655,595
Security and CCTV installation	1,653,179
Domiciliary care	2,347,601
Training services	897,176
	<u>10,553,551</u>

3. ANALYSIS OF OPERATIONS

	Continuing £	2009 Acquisitions £	Total £
Cost of sales	<u>-</u>	<u>6,071,941</u>	<u>6,071,941</u>
Gross profit	<u>-</u>	<u>4,481,610</u>	<u>4,481,610</u>
Net operating expenses:			
Administrative expenses	-	3,453,533	3,453,533
Other operating income	-	(3,614)	(3,614)
	<u>-</u>	<u>3,449,919</u>	<u>3,449,919</u>

4. STAFF COSTS

	£
Wages and salaries	4,027,962
Social security costs	274,251
	<u>4,302,213</u>

The average monthly number of employees during the period was as follows:

Administration	164
Site	362
	<u>526</u>

DANIELI HOLDINGS LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009****5. OPERATING PROFIT**

The operating profit is stated after charging:

	£
Hire of plant and machinery	4,469
Depreciation - owned assets	53,716
Depreciation - assets on hire purchase contracts	36,093
Loss on disposal of fixed assets	564
Goodwill amortisation	92,289
Auditors' remuneration	<u>11,400</u>
Directors' remuneration	<u>40,502</u>

Auditor's remuneration above includes £1,600 in respect of the parent and the group accounts. The balance is in respect of the audit of the subsidiaries.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	£
Bank interest	13,879
Other interest payable	977
Hire purchase interest	<u>23,905</u>
	<u>38,761</u>

7. TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the period was as follows:

	£
Current tax:	
UK corporation tax	291,079
Deferred tax	<u>23,419</u>
Tax on profit on ordinary activities	<u>314,498</u>

DANIELI HOLDINGS LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009****7. TAXATION - continued****Factors affecting the tax charge**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	£
Profit on ordinary activities before tax	992,930
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28%	278,020
Effects of:	
Goodwill written off not allowable for tax relief	24,661
Expenses not allowable for tax	10,167
Capital allowances in excess of depreciation	(8,306)
Utilisation of tax losses	(4,996)
Marginal rate tax relief	(8,467)
Current tax charge	291,079

8. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £57,553.

9. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
Additions	1,853,516
At 30 April 2009	1,853,516
AMORTISATION	
Amortisation for period	92,289
At 30 April 2009	92,289
NET BOOK VALUE	
At 30 April 2009	1,761,227

DANIELI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009

10. TANGIBLE FIXED ASSETS

Group

	Radios £	Plant and machinery £	Fixtures and fittings £
COST			
Additions	27,080	46,524	85,940
At 30 April 2009	27,080	46,524	85,940
DEPRECIATION			
Charge for period	5,886	4,909	17,639
Eliminated on disposal	-	-	-
At 30 April 2009	5,886	4,909	17,639
NET BOOK VALUE			
At 30 April 2009	21,194	41,615	68,301
	Motor vehicles £	Office equipment £	Totals £
COST			
Additions	288,088	145,672	593,304
Disposals	(100,414)	-	(100,414)
At 30 April 2009	187,674	145,672	492,890
DEPRECIATION			
Charge for period	37,523	23,852	89,809
Eliminated on disposal	(51,675)	-	(51,675)
At 30 April 2009	(14,152)	23,852	38,134
NET BOOK VALUE			
At 30 April 2009	201,826	121,820	454,756

DANIELI HOLDINGS LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009**

10. TANGIBLE FIXED ASSETS - continued

Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Office equipment £	Totals £
COST				
Additions	6,882	256,441	15,876	279,199
Disposals	-	(63,614)	-	(63,614)
At 30 April 2009	<u>6,882</u>	<u>192,827</u>	<u>15,876</u>	<u>215,585</u>
DEPRECIATION				
Charge for period	956	34,282	855	36,093
Eliminated on disposal	-	(20,695)	-	(20,695)
At 30 April 2009	<u>956</u>	<u>13,587</u>	<u>855</u>	<u>15,398</u>
NET BOOK VALUE				
At 30 April 2009	<u>5,926</u>	<u>179,240</u>	<u>15,021</u>	<u>200,187</u>

11. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
Additions	1,847,167
At 30 April 2009	<u>1,847,167</u>
NET BOOK VALUE	
At 30 April 2009	<u>1,847,167</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiaries

Phoenix Security UK Limited

Nature of business: Security services

	% holding	£
Class of shares:		
Ordinary	100.00	
Aggregate capital and reserves		158,656
Profit for the period		<u>198,609</u>

The company was acquired on 26 June 2008 for £767,560 cash. The net assets/(liabilities) acquired were £(9,603).

The profit after tax for the previous (pre acquisition) period was £135,568.

DANIELI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009

11. FIXED ASSET INVESTMENTS - continued

Phoenix Eye Limited

Nature of business: Security and CCTV installation

	%	
Class of shares:	holding	
Ordinary	100.00	
		£
Aggregate capital and reserves		61,120
Profit for the period		72,425
		<u> </u>

The company was acquired on 26 June 2008 for £93,878 cash. The net assets/(liabilities) acquired were £(11,305).

The profit/(loss) after tax for the previous (pre acquisition) period was £(11,405).

Care Line Homecare Limited

Nature of business: Domiciliary care

	%	
Class of shares:	holding	
Ordinary	100.00	
		£
Aggregate capital and reserves		271,995
Profit for the period		233,126
		<u> </u>

The company was acquired on 26 June 2008 for £737,445 cash. The net assets acquired were £56,944.

The profit after tax for the previous (pre acquisition) period was £162,396.

Executive Training Solutions Limited

Nature of business: Training services

	%	
Class of shares:	holding	
Ordinary	100.00	
		£
Aggregate capital and reserves		302,832
Profit for the period		254,024
		<u> </u>

The company was acquired on 26 June 2008 for £248,284 cash. The net assets acquired were £49,616.

The profit after tax for the previous (pre acquisition) period was £119,844.

12. STOCKS

	Group
	£
Stocks	28,308
Work-in-progress	53,332
	<u> </u>
	81,640
	<u> </u>

DANIELI HOLDINGS LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group £	Company £
Trade debtors	1,450,969	576
Other debtors	55,399	-
Amounts owed by group undertakings	-	8,009
Prepayments and accrued income	446,647	-
	<u>1,953,015</u>	<u>8,585</u>

Included in trade debtors are factored debts of £1,290,118.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group £	Company £
Bank loans and overdrafts (see note 16)	127,676	47,502
Other loans (see note 16)	1,152,022	-
Hire purchase contracts (see note 17)	54,923	-
Trade creditors	60,105	-
Corporation tax	291,079	16,900
Social security and other taxes	364,605	28,008
Other creditors	524,455	426,650
Amounts owed to group undertakings	-	579,106
Directors' current accounts	699,033	699,033
Accrued expenses	169,208	-
	<u>3,443,106</u>	<u>1,797,199</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group £
Hire purchase contracts (see note 17)	<u>106,324</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group £	Company £
Amounts falling due within one year or on demand:		
Bank overdrafts	127,676	47,502
Debt factoring liability	1,152,022	-
	<u>1,279,698</u>	<u>47,502</u>

DANIELI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009

17. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts £
Gross obligations repayable:	
Within one year	67,674
Between one and five years	129,098
	<u>196,772</u>
Finance charges repayable:	
Within one year	12,751
Between one and five years	22,774
	<u>35,525</u>
Net obligations repayable:	
Within one year	54,923
Between one and five years	106,324
	<u>161,247</u>

The following operating lease payments are committed to be paid within one year:

Group

	Land and buildings £	Other operating leases £
Expiring:		
Within one year	-	5,780
Between one and five years	63,506	1,110
	<u>63,506</u>	<u>6,890</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	Group £	Company £
Bank overdraft	127,676	47,502
Debt factoring liability	1,152,022	-
Hire purchase contracts	161,247	-
	<u>1,440,945</u>	<u>47,502</u>

DANIELI HOLDINGS LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009****19. PROVISIONS FOR LIABILITIES**

	Group £
Deferred tax	
Accelerated capital allowances	<u>23,419</u>

Group	Deferred tax £
Charge/(credit) to profit and loss account	<u>23,419</u>
Balance at 30 April 2009	<u>23,419</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	
1,000	Ordinary	£1	<u>£ 1,000</u>

1,000 ordinary shares of £1 each were allotted and fully paid for cash at par during the period.

21. RESERVES

Group	Profit and loss account £
Profit for the period	<u>678,432</u>
At 30 April 2009	<u>678,432</u>

Company	Profit and loss account £
Profit for the period	<u>57,553</u>
At 30 April 2009	<u>57,553</u>

DANIELI HOLDINGS LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 21 MAY 2008 TO 30 APRIL 2009****22. RELATED PARTY DISCLOSURES**

Included in creditors due within one year are the following amounts owed to the directors of the company:-

	2009 £
S W Howe	567,314
N A Winch	131,719
	<hr/>
	699,033
	<hr/>

Also included within creditors due within one year are amounts of £215,027 and £211,623 owed to J Winch and R Winch respectively who are both members of the immediate family of N A Winch, a director of the company.

The company's bank facilities are within a group facility which is secured by personal guarantees of £75,000 each given by S W Howe and N A Winch, directors of the company.

23. ULTIMATE CONTROLLING PARTY

The company is under the joint control of S W Howe and N A Winch, directors of the company.

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**Group**

	£
Profit for the financial period	678,432
Allotment of shares	1,000
	<hr/>
Net addition to shareholders' funds	679,432
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	679,432
	<hr/>
Equity interests	679,432
	<hr/>

Company

	£
Profit for the financial period	57,553
Allotment of shares	1,000
	<hr/>
Net addition to shareholders' funds	58,553
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	58,553
	<hr/>
Equity interests	58,553
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