



World Careers Network Plc

report and financial statements

year ended 31 July 2008



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Annual report and financial statements for the year ended 31 July 2008

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Directors

Ian O W Moore, Non-Executive Chairman
Charles E H Hipps, Managing Director
David K Moore, Technical Director

Secretary and registered office

Paul Hipps, Emerald House, East Street
Epsom, Surrey KT17 1HS

Company number 3813540

Auditors

BDO Stoy Hayward LLP, Emerald House,
East Street, Epsom, Surrey, KT17 1HS

Nominated advisers and nominated broker

Charles Stanley & Company Limited
25 Luke Street, London, EC2A 4AR

Registrars

Capita Registrars Limited, Northern House
Woodsome Park, Fenay Bridge, Huddersfield, HD8 0LA

I am pleased to present the annual accounts of WCN, which show the results of the company for the year to 31 July 2008.

Financial Review

New business and expansion of work with existing clients resulted in sales of £5,156,631 (2007: £4,705,041) an increase of just under 10% on the prior year and a profit before tax of £1,143,627 up 11% compared with £1,030,373 last year. This represents basic earnings per share of 9.87p. (2007: 8.85p)

During the year we bought in and cancelled 17,000 shares for a total consideration of £20,350 and will continue to effect further purchases as shares are offered to us at a suitable price.

Our balance sheet remains robust with cash of £3.3m at 31 July 2008 and net assets increasing during the year by 17% to £3.4m (2007: £2.9m).

The Board will be seeking at the Annual General Meeting the extension of the authority granted last year to make market purchases of ordinary shares, within the usual limits for a listed company. In assessing whether in practice to use this authority, the Board will take into account all relevant factors including the affect on earnings per share and assets per share ratios and other benefits to shareholders.

Dividends

The directors are pleased to recommend the payment of a dividend of 3.5p per share, which is the same as that paid in respect of the previous year. This dividend will be subject to the approval of shareholders at the Annual General Meeting to be held at 5-7 Bridgeworks, The Crescent, London SW19 8DR at 10.00am on Thursday, 11 December 2008 and, if approved, will be payable on Monday, 15 December 2008 to shareholders on the register as at 14 November 2008.

Operating Review

We experienced continued growth both through expanding business with existing clients and the addition of new clients. Our recruitment programme to which I have referred in previous statements was largely completed at 31 July 2007 and our average headcount during the year to 31 July 2008 rose only marginally to 74 compared to 71 in the previous year.

Principal Risks and Uncertainties

Competitive pressure and economic instability is a continuing risk for the company. The company manages this risk by providing leading edge product and high levels of customer service, by managing resources levels and pursuing opportunities for continuous improvement and cost reduction.

The business is dependent upon clients' ability to safely access data held on our servers and in order to ensure that this is not affected by a breakdown in power supplies or by other physical hazards our servers are housed offsite in secure facilities on the premises of a specialist provider of such facilities. Third party security experts are also regularly engaged to advise on data security.

Outlook

I indicated in my interim statement that we expected to see some downturn in our activity in the forthcoming year. Since then the economic climate has become significantly more unstable and we are already seeing indications of a reduction in demand for the services we provide and an increase in the competition for the business that is available.

Lower levels of activities will only be reflected in a marginal reduction in our cost base due to our commitment to the ongoing health and capabilities of the business, to maintaining high levels of service to our clients and to ongoing development of our products.

The combination of these two factors alongside the recession in the UK and in most of the developed world will inevitably impact on our profits in the current year. It is impossible to assess the extent of this impact at this time but I expect to be in a better position to give some indication when we publish our interim figures.

With liquid funds of £3.3m at 31 July 2008 we are well placed to weather the storm currently hitting businesses throughout the world. We are determined to continue to nourish the core strengths and expertise within the business so that we are able to take advantage of the opportunities that will undoubtedly emerge as the storm abates and which will not be open to other businesses which are not as well resourced as ours.

The past year has been especially demanding, the team have excelled themselves, and I want to thank everyone for their tremendous efforts as we begin what undoubtedly will be another challenging year.

Ian Moore

Chairman, World Careers Network Plc
Date: 6 November 2008

The directors present their report, together with the audited financial statements of the company, for the year ended 31 July 2008.

Results and dividends

The results of the company for the year are set out on page 8 and show a profit after taxation of £800,594 (2007 - £718,309).

The directors recommend a final dividend of 3.5 pence per share. No interim dividend was paid.

Principal activities, review of business and future developments

The company's principal business is the provision of Internet based recruitment software for the tracking and selection of applicants. In addition, the company provides E-recruitment tests and response and project management in conjunction with its recruitment software and which are, in the main, delivered by other organisations.

A review of the business and details of future developments are given in the Chairman's statement.

The changes in Key Performance Indicators between the financial years 2007/08 and 2006/07 were as follows:

	2007/08	2006/07
Sales per employee	69,684	66,268
Operating Profit per employee	13,538	12,656

Directors

The directors of the company during the year were:

I O W Moore
C E H Hipps
D K Moore

D K Moore retires in accordance with the company's Articles of Association and offers himself for re-election.

Policy and practice on the payment of creditors

The company's policy concerning the payment of its suppliers is to arrange the best possible terms with them and then pay as appropriate to those terms, subject to satisfactory performance by the suppliers. Any contractual or legal obligations would be honoured, with creditors being paid by the agreed dates to satisfy such commitments. At the financial year-end the number of days' purchases outstanding was 49 (2007: 50).

Research and development

During the year the company incurred £321,389 (2007 £285,340) on research and development.

Financial instruments

Details of financial instruments and their associated risks are given in note 21 to the financial statements.

Going concern

After making enquires, the directors have a reasonable expectation that the company has adequate resources to continue operations for the foreseeable future. For this reason they have adopted the going concern basis in preparing the financial statements.

Auditors

All of the current directors have taken all the steps they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

By order of the Board

P Hipps
Secretary

Date: 6 November 2008

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 of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the shareholders of World Careers Network Plc

We have audited the financial statements of World Careers Network PLC for the year ended 31 July 2008 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

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

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with those 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 other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Chairman's 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 financial statements. Our responsibilities do not extend to any other information.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of opinion

We 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 company's affairs as at 31 July 2008 and of its profit 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

BDO STOY HAYWARD LLP
Chartered Accountants and Registered Auditors
Epsom, Surrey

Date: 6 November 2008

	Note	2008 £	2007 £
Turnover	2	5,156,631	4,705,041
Administrative expenses		4,154,827	3,806,453
Operating profit	3	1,001,804	898,588
Interest receivable		141,823	131,785
Profit on ordinary activities before taxation		1,143,627	1,030,373
Taxation on profit on ordinary activities	7	343,033	312,064
Profit on ordinary activities after taxation	16	800,594	718,309
Earnings per share	9		
Basic		9.87p	8.85p
Diluted		9.82p	8.83p

All amounts relate to continuing activities.

All recognised gains and losses are set out in the profit and loss account.

The notes on pages 9 to 17 form part of these financial statements.

	Note	2008 £	2008 £	2007 £	2007 £
Fixed assets					
Intangible assets	10		45,989		74,981
Tangible assets	11		178,785		118,226
			224,774		193,207
Current assets					
Debtors	12	1,041,818		883,851	
Cash at bank and in hand		3,332,204		2,831,387	
		4,374,022		3,715,238	
Creditors: amounts falling due within one year	13	1,188,931		989,034	
Net current assets			3,185,091		2,726,204
Total assets less current liabilities			3,409,865		2,919,411
Provisions for liabilities	14		1,136		13,136
			3,408,729		2,906,275
Capital and reserves					
Called up share capital	15		8,101		8,115
Share premium account	16		1,530,125		1,528,528
Capital redemption reserve	16		72		55
Share scheme reserve	16		12,449		7,797
Profit and loss account	16		1,857,982		1,361,780
Shareholders' funds	17		3,408,729		2,906,275

The financial statements were approved by the Board of directors and authorised for issue on 6 November 2008

C E H Hipps
Director

The notes on pages 9 to 17 form part of these financial statements.

Reconciliation of operating profit to net cash inflow from operating activities

	Note	2008 £	2007 £
Operating profit		1,001,804	898,588
Amortisation of goodwill	10	28,992	28,992
Depreciation of tangible assets	11	83,936	69,615
Operating costs not represented by cash flows	19	(7,348)	9,418
(Increase)/decrease in debtors		(157,967)	94,722
Increase/(decrease) in creditors		121,829	(651,565)
Net cash inflow from operating activities		1,071,246	449,770
Net cash inflow from operating activities		1,071,246	449,770
Returns on investments and servicing of finance			
Interest received		141,823	131,785
Taxation		(264,965)	(306,165)
Capital expenditure and financial investment			
Purchase of tangible fixed assets	11	(144,495)	(121,079)
Equity Dividends paid	8	(284,042)	(284,262)
Financing			
Issue of ordinary share capital	15	1,600	250
Purchase of own shares		(20,350)	(9,542)
Increase/(decrease) in cash in the year		500,817	(139,243)
Reconciliation of net cash flow to net funds and analysis of net funds			
Increase/(decrease) in cash in the year		500,817	(139,243)
Opening net funds - cash		2,831,387	2,970,630
Closing net funds - cash		3,332,204	2,831,387

The notes on pages 9 to 17 form part of these financial statements.

1. Accounting policies

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

The company's principal accounting policies, which were applied consistently during the period were as follows:

Goodwill

Goodwill arising on an acquisition of a business undertaking is the difference between the fair value of the consideration paid and the fair value of the identifiable assets and liabilities acquired. It is capitalised and amortised evenly through the profit and loss account over the directors' estimate of its useful economic life of 10 years. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial year following acquisition;
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Impairment of fixed assets and goodwill

The need for any fixed asset impairment write-down is assessed by comparing the carrying value of the asset with the higher of net realisable value and value in use.

Turnover

Turnover represents the invoiced amount of services provided to external customers, less value added tax or local taxes, adjusted for the amount invoiced to customers which relates to services provided after the period-end and where appropriate, amounts un-invoiced for services provided before the period end.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Computer equipment	-	33.3% per annum
Office furniture	-	20% per annum
Leasehold improvements	-	over the period of the lease

Foreign currency

Foreign currency transactions are translated 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.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Pension costs

Contributions to employees' personal pension schemes (defined contribution) are charged to the profit and loss account in the period in which they become payable.

Research and development

Expenditure on pure and applied research and development costs are charged to the profit and loss account in the year in which they are incurred.

Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the profit and loss account over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the profit and loss account for the remaining vesting period.

Operating leases

The annual rentals of operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

Dividends

Equity dividends are recognised when they become legally payable following approval by the shareholders at an annual general meeting.

2. Turnover and results

Turnover and the result for the period, both of which arose in the United Kingdom, are wholly attributable to the principal activity of the company.

3. Operating profit

	2008	2007
	£	£
This is arrived at after charging:		
Depreciation of tangible assets	83,936	69,615
Research & development	321,389	285,340
Amortisation of goodwill	28,992	28,992
Hire of assets - operating leases	82,082	62,227
Auditors' remuneration - audit services	21,000	20,000
- taxation services	4,423	3,250
Equity settled share based payments	4,652	3,382

4 Employees

The average monthly number of employees during the period, including executive directors, was as follows:

	2008	2007
	Number	Number
Client related staff	69	66
Administrative staff	5	5
	74	71

Staff costs for all employees, including executive directors, consisted of:

	2008	2007
	£	£
Wages and salaries	2,486,672	2,214,364
Social security costs	252,514	245,849
Pension costs	25,768	17,950
	2,764,954	2,478,163

Pension costs relate to company payments to personal pension plans (defined contribution). There were no amounts payable at the year end.

5 Directors

	2008	2007
	£	£
Directors remuneration consists of:		
Fees and emoluments for management services	219,717	204,690

Pension contributions to defined contribution schemes paid by the company on behalf of two directors (2007: two directors) amounted to £10,100 (2007: £10,100).

Emoluments of the highest paid director amounted to £133,667 (2007: £123,509). In addition, pension contributions of £6,500 (2007: £6,500) were paid in the year.

Share options

Share options granted to directors are set out in figure 1 below:

(figure 1) Share options

Name	Number at 1 August 2007	Granted/ (lapsed) in year	Exercised	Number at 31 July 2008	Exercise price	Date from which exercisable	Expiry date
I O W Moore	20,000	-	-	20,000	110p	10 March 2003	9 March 2010
D K Moore	6,750	-	-	6,750	152p	29 June 2004	28 June 2011
D K Moore	7,600	-	-	7,600	92.5p	31 May 2005	30 May 2012
D K Moore	10,000	-	-	10,000	50p	18 December 2006	7 December 2013
D K Moore	10,000	-	-	10,000	65p	6 December 2007	5 December 2014
D K Moore	20,000	-	-	20,000	104p	26 January 2009	25 January 2016
D K Moore	10,000	-	-	10,000	137.5p	18 December 2009	17 December 2016
D K Moore	-	10,000	-	10,000	147.5p	14 December 2010	13 December 2017

No directors' share options were exercised in the year.

6 Share based payments

The following information is relevant in the determination of the fair value of options granted under the equity settled share based remuneration schemes operated by the company

	2008	2007
Equity – settled		
Option pricing model used	Black-Scholes	Black-Scholes
Weighted average share price and exercise price at grant date (p.)	135/147.5	77
Weighted average contractual life (days)	1,825	2,555
Expected volatility	20%	10-15%
Expected dividend yield	3.0%	0-2.5%
Risk free interest rate	4.70%	4.31-4.58%

7 Taxation on profit from ordinary activities

	2008	2007
	£	£
Taxation on profit on ordinary activities	343,033	312,064

Factors affecting tax charge for year

The tax assessed for the year differs from the standard rate of corporation tax in the UK (28%). The differences are explained below:

Profit on ordinary activities before tax	1,143,627	1,030,373
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28%	320,216	309,112
Effects of:		
Expenses not deductible for tax purposes	5,600	5,303
Capital allowances in deficit of depreciation	8,219	8,455
Marginal relief	(6,908)	(11,300)
Adjustments in respect of previous periods	-	494
Adjustment for higher rate tax – profits taxed at 30%	15,906	-
Total current tax	343,033	312,064

Deferred tax: On 31 July 2008 there was an unprovided deferred tax asset as set out below.

	As at 31 July 2008	As at 31 July 2007
	£	£
Accelerated capital allowances	4,777	5,710

8 Dividends

	2008	2007
Ordinary shares	£	£
Final dividend proposed for the prior year of 3.5p (2007 – 3.5p) per share	<u><u>284,042</u></u>	<u><u>284,262</u></u>
Ordinary shares		
Final dividend proposed for the year of 3.5p (2007 – 3.5p) per share	<u><u>283,548</u></u>	<u><u>284,042</u></u>

9 Earnings per share

Basic earnings per share

This is calculated by dividing the profit of £800,594 (2007 - £718,309), being the profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue throughout the year of 8,113,228 (2007 - 8,115,964).

Diluted earnings per share

The weighted average number of shares for 2008 for this calculation was 8,149,785 (2007 - 8,138,860). This is calculated based on the weighted average number of ordinary shares adjusted by 36,557 (2007 - 22,896) to recognise the effect of the potential issue of further ordinary shares as a result of the exercise of share options.

10 Intangible assets

	Goodwill on acquisition
Cost	£
At 1 August 2007 and 31 July 2008	<u><u>290,000</u></u>
Amortisation	
At 1 August 2007	215,019
Provision for the year	<u>28,992</u>
At 31 July 2008	<u><u>244,011</u></u>
Net book value	
At 31 July 2008	<u><u>45,989</u></u>
At 31 July 2007	<u><u>74,981</u></u>

Goodwill arose on the acquisition of World Careers Network, an unincorporated business, on 8 March 2000.

11 Tangible assets

	Leasehold Improvements	Computer equipment	Office furniture	Total
	£	£	£	£
Cost				
At 1 August 2007	-	174,369	26,500	200,869
Additions	66,377	71,572	6,546	144,495
Write down of fully depreciated assets	-	(18,182)	-	(18,182)
At 31 July 2008	66,377	227,759	33,046	327,182
Depreciation				
At 1 August 2007	-	71,500	11,143	82,643
Provision for the year	6,639	71,748	5,549	83,936
Write down of fully depreciated assets	-	(18,182)	-	(18,182)
At 31 July 2008	6,639	125,066	16,692	148,397
Net book value				
At 31 July 2008	59,738	102,693	16,354	178,785
At 31 July 2007		102,869	15,357	118,226

12 Debtors

	2008	2007
	£	£
Trade debtors	965,882	841,919
Prepayments	75,036	38,369
Other debtors	900	3,563
	1,041,818	883,851

All amounts recorded as debtors fall due for payment within one year.

13 Creditors: amounts falling due within one year

	2008	2007
	£	£
Trade creditors	170,553	164,101
Corporation tax	400,362	311,570
Taxation and social security	142,495	122,690
Accruals and deferred income	475,521	390,673
	1,188,931	989,034

14 Provisions for liabilities

	2008	2007
	£	£
Provision for Employer's National Insurance in respect of outstanding share options, pursuant to UITF Abstract 25:		
At start of year	13,136	7,100
(Released)/charged to staff costs in the year	(12,000)	6,036
At 31 July 2008	1,136	13,136

An Employer's National Insurance liability will arise upon the exercise of the outstanding share options disclosed in note 15. This liability may occur at any time between March 2004 and December 2016 and is dependent upon (i) the number of options exercised, (ii) the market value of the company's shares at the exercise date and (iii) the prevailing National Insurance rate at that time.

15 Called up share capital

	2008 and 2007	
	Number	£
Authorised		
Ordinary shares of 0.1p (2007 - 0.1p) each	56,370,000	56,370
Redeemable preference shares of £1 (2007 - £1) each	43,630	43,630
	Ordinary shares of 0.1p each	
	Number	£
In issue at 1 August 2007	8,115,463	8,115
Bought in and cancelled during the year	(17,000)	(17)
Share options exercised	2,900	3
In issue at 31 July 2008	8,101,363	8,101

1,900 and 1,000 Ordinary shares of 0.1p were issued on the exercise of approved share options on 6 November and 14 December 2007 and the consideration amounted to £950 and £650 respectively.

During the year 17,000 shares were bought in for a total consideration of £20,350 and cancelled.

There have been no changes to the company's share capital since the balance sheet date.

Redeemable preference shares do not entitle the holder to any rights of participation in the profits of the company or carry any voting rights. However, they rank in priority to the ordinary shares for repayment in the event of the company being wound up.

The market price of the company's ordinary shares at 31 July 2008 was 115p and the range during the financial year was from 115p to 185p.

Share options

At 31 July 2008 the following share options under unapproved and approved schemes were outstanding in respect of the ordinary 0.1p shares:

Date of grant	At 1 August 2007	Granted	Lapsed	Exercised	At 31 July 2008	Nominal Value £	Period of option	Exercise price per share
Unapproved Schemes								
10 March 2000	20,000	-	-	-	20,000	20	10 March 2003 - 9 March 2010	110p
26 January 2006	18,835	-	-	-	18,835	19	26 January 2009 - 25 January 2016	104p
	<u>38,835</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,835</u>			
Approved Scheme								
29 June 2001	7,750	-	-	-	7,750	11	29 June 2004 - 28 June 2011	152p
31 May 2002	9,700	-	1,400	-	8,300	17	31 May 2005 - 30 May 2012	92.5p
18 December 2003	18,000	-	-	1,900	16,100	19	18 December 2006 - 17 December 2013	50.0p
6 December 2004	16,500	-	1,500	1,000	14,000	19	6 December 2007 - 5 December 2014	65.0p
26 January 2006	9,415	-	2,500	-	6,915	15	26 January 2009 - 25 January 2016	104p
18 December 2006	15,750	-	2,500	-	13,250	16	18 December 2009 - 17 December 2016	137.5p
13 December 2007	-	38,149	-	-	38,149	38	13 December 2010 - 12 December 2015	147.5p
	<u>77,115</u>	<u>38,149</u>	<u>7,900</u>	<u>2,900</u>	<u>104,464</u>			

Directors' interests in share options are disclosed in note 5

16 Reserves

	Share premium account £	Capital redemption reserve £	Share scheme reserve £	Profit and loss account £
At 1 August 2007	1,528,528	55	7,797	1,361,780
Purchase and cancellation of shares		17		(20,350)
Profit for the year				800,594
Dividends				(284,042)
Charge for share options			4,652	
Issue of shares on exercise of options	1,597			
At 31 July 2008	1,530,125	72	12,449	1,857,982

17 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Opening shareholders funds	2,906,275	2,478,138
Profit for the year	800,594	718,309
Increase in share scheme reserve	4,652	3,382
Dividends paid	(284,042)	(284,262)
Purchase and cancellation of shares	(20,350)	(9,542)
Issue of shares	1,600	250
Net increase in shareholders funds	502,454	428,137
Closing shareholders funds	3,408,729	2,906,275

18 Commitments under operating leases

As at 31 July 2008, the company had annual commitments under non-cancellable operating leases for land and buildings as set out below:

	2008	2007
	£	£
Operating leases which expire:		
In less than one year	-	40,000
In two to five years	102,500	25,000

19 Operating costs not represented by cash flows

	2008	2007
	£	£
Appropriation to share scheme reserve (note 16)	4,652	3,382
National insurance (release)/charge on share options (note 14)	(12,000)	6,036
	(7,348)	9,418

20 Controlling shareholder

Charles Hipps, a director, is the company's controlling shareholder.

21 Financial instruments and treasury management

The company's principal financial instruments comprise cash, trade debtors and trade creditors. There is no difference between the fair values of these financial instruments and the amounts shown in the balance sheet.

The company's policy is that it does not trade in financial instruments.

The main risks arising from the company's activities are interest rate risk and liquidity risk. These are monitored by the Board of directors and were not considered to be significant at the balance sheet date.

The company's policy in respect of interest rate risk and liquidity risk is to retain in readily accessible bank deposit accounts sufficient funds to enable the company to meet its debts as they fall due, whilst earning interest at a guaranteed rate. At the balance sheet date cash funds of £3,000,000 (2007 - £2,600,000) were held in a two week fixed term treasury reserve account at a 4.81% (2007 - 5.48%) fixed rate of interest. The balance of the cash was held in various current accounts in order to fund the day to day working capital requirements of the company.

The company does not hold hedging instruments in respect of foreign currency risk that may arise from its transactions with Mainland Europe, as the directors consider the company's foreign exchange liabilities to be negligible.

The company is mainly exposed to credit risk from credit sales. It is company policy to assess the credit risk of new customers and to factor the information from these credit ratings into future dealings with the customers. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Notice of meeting

Notice is hereby given that the Annual General Meeting of the shareholders of World Careers Network Plc will be held at 5-7 Bridgeworks, The Crescent, London, SW19 8DR on Thursday, 11 December 2008 at 10.00am for the following purposes:

- 1 To consider the financial statements and the reports of the directors and of the auditors for the year ended 31 July 2008.
- 2 To approve the payment of a dividend of 3.5p per share.
- 3 To consider the re election of DK Moore who retires as a director in accordance with the Articles of Association.
- 4 To re-appoint BDO Stoy Hayward LLP as auditors and to authorise the directors to fix their remuneration for the ensuing year.

As Special Business:

- 5 To consider and, if thought fit, to pass the following resolution as a special resolution:

That pursuant to article 9 of the Company's Articles of Association and in accordance with Section 166 of the Companies Act 1985, the Company be generally and unconditionally authorised during the period expiring on the date of the next annual general meeting of the Company after passing this resolution or 18 months from the passing of this resolution, whichever is the earlier, to make market purchases (as defined in Section 163(3) of the said Act) of ordinary shares in the capital of the Company (Ordinary Shares) on such terms and in such manner as the directors determine, provided that this authority shall:

- (i) be limited to a maximum of 405,000 Ordinary Shares representing 5% of the Company's issued Ordinary Share capital as at the date of the passing of this resolution;
- (ii) not permit payment by the Company, exclusive of any expenses, of less than the par value of each Ordinary Share;
- (iii) not permit payment by the Company, exclusive of any expenses, of more than 105% of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which such Ordinary Share is contracted to be purchased; and
- (iv) permit the Company to make a contract or contracts to purchase Ordinary Shares prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of this authority, and the Company may make a purchase of Ordinary Shares in pursuance of any such contract or contracts notwithstanding such expiry.

By order of the Board

P. Hipps
Secretary

Date: 6 November 2008

Notes

1) A member entitled to attend and vote at this meeting may appoint a proxy or proxies to attend and, on a poll, vote instead of him or herself. The proxy need not be a member. Instruments appointing proxies must be lodged with the company's registrars not less than seventy two hours before the time fixed for the meeting.

2) Pursuant to regulation 41(1) of the Uncertificated Securities Regulations 2001 (2001 No. 3755), the Company has specified that only those members registered on the register of members of the Company at 10am on Monday, 8 December 2008 or, in the event that the meeting is adjourned, on the register of members 72 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of Shares registered in their name at that time. Changes to the register of members after 10am on Monday, 8 December 2008 or, in the event that the meeting is adjourned, in the register of members 72 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend and vote at the meeting.

WCN Plc
5-7 Bridgeworks
The Crescent
London SW19 8DR