World Careers Network Plc

report and financial statements

year ended 31 July 2009

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Annual report and financial statements for the year ended 31 July 2009

Contents

Directors

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

Secretary and registered office

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

Company number 3813540

Auditors

BDO 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 0GA

I am pleased to present the annual accounts of WCN, which show the results of the company for the year to 31 July 2009.

Financial Review

Sales for the year fell £357,000 to £4,799,000, a reduction of 7% on the previous year. Overheads remained at a similar level to last year and as a result our operating profit which includes a gain on foreign currency of £52,653 (2008: £9,330) fell by £339,146 to £662,658, a decrease of 34% compared with last year. Our interest receivable fell from £141,823 to £78,793 as a consequence of the reduction in interest rates and, as a result, our profit for the year is £741,451 compared with £1,143,627 last year. This represents basic earnings per share of 6.54p. (2008: 9.87p)

During the year we bought in and cancelled 253,831 shares for a total consideration of £244,116 and will continue to effect further purchases as shares are offered to us at a suitable price.

Despite the reduction in profits our balance sheet remains robust with cash of £3.5m at 31 July 2009.

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 Bridge Works, The Crescent, London SW19 8DR at 3.30 pm on Friday, 11 December 2009 and, if approved, will be payable on Tuesday, 15 December 2009 to shareholders on the register as at 13 November 2009.

Operating Review

As a result of the challenging economic climate, employers have cut back their discretionary expenditure on both change requests and implementation of our e-Recruitment software. Furthermore, we have regrettably lost some business as the result of consolidation in the financial sector. Whilst we have won a good share of the business for which we have been invited to tender, this has not been sufficient to offset the above declines.

Costs have remained broadly steady as we maintained our investment in product development, sales and account management. Our average headcount for the year reduced slightly to 72 (2008:74) and has since fallen to 69.

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 products and high levels of customer service, by managing resources levels and pursuing opportunities for continuous improvement.

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

Our market remains challenging, as we feel the impact of reduced levels of recruitment, less appetite for investment in software implementations and increased competition for the remaining new business.

We believe it is important to continue to invest in ongoing product development and to maintain our high levels of service to our clients despite the difficult economic conditions. As a result of this ongoing investment, coupled with declining business activity, it appears inevitable that sales and profits will fall further in the coming 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 £3.5m at 31 July 2009 we are well placed to weather the current storm. 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 and which will not be open to other businesses which are not as well resourced as ours.

Despite the difficult conditions, the team has continued to work hard and seek out opportunities for improvement. I would like to thank the whole team for their vigorous commitment and ongoing efforts as we begin what will undoubtedly be another challenging year.

Ian Moore
Chairman, World Careers Network Plc

Date: 2 November 2009

The directors present their report, together with the audited financial statements of the company, for the year ended 31 July 2009.

Results and dividends

The results of the company for the year are set out on page 6 and show a profit after taxation of £525,094 (2008 - £800,594).

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, including the principle risks and uncertainties, and details of future developments are given in the Chairman's statement.
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The changes in Key Performance Indicators between the financial years 2008/09 and 2007/08 were as follows:

	2008/09	**2007/08**
Sales per employee	66,653	69,684
Operating Profit per employee	9,203	13,538

Directors

The directors of the company during the year were:

I O W Moore
C E H Hipps
D K Moore
D J Earland (appointed 11 December 2008)

IOW Moore retires by rotation and being eligible offers himself for re-election. DJ Earland who was appointed a director during the year 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 34 (2008: 49).

Research and development

During the year the company incurred £451,841 (2008 £321,389) 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 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: 2 November 2009

The directors are responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the company 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 of the profit or loss of the company for that period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

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;
- state whether the applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. 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.

Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

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 2009 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and 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 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 explained more fully in the statement of directors' responsibilities, 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 (APB'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 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 company's affairs as at 31 July 2009 and its profit for the year then ended;
- 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 directors' report 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: Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Russell Field (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Epsom, Surrey
United Kingdom

Date: 2 November 2009

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

	Note	2009	2008
		£	£
Turnover	2	**4,799,018**	5,156,631
Administrative expenses		**4,136,360**	4,154,827
Operating profit	3	**662,658**	1,001,804
Interest receivable		**78,793**	141,823
Profit on ordinary activities before taxation		**741,451**	1,143,627
Taxation on profit on ordinary activities	7	**216,357**	343,033
Profit on ordinary activities after taxation	16	**525,094**	800,594
Earnings per share	9		
Basic		**6.54p**	9.87p
Diluted		**6.53p**	9.82p

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	2009 £	2009 £	2008 £	2008 £
Fixed assets					
Intangible assets	10		**16,997**		45,989
Tangible assets	11		**106,036**		178,785
			123,033		224,774
Current assets					
Debtors	12	**810,338**		1,041,818	
Cash at bank and in hand		**3,555,711**		3,332,204	
		4,366,049		4,374,022	
Creditors: amounts falling due within one year	13	**1,072,680**		1,188,931	
Net current assets			**3,293,369**		3,185,091
Total assets less current liabilities			**3,416,402**		3,409,865
Provisions for liabilities	14		**1,136**		1,136
			3,415,266		3,408,729
Capital and reserves					
Called up share capital	15		**7,850**		8,101
Share premium account	16		**1,531,472**		1,530,125
Capital redemption reserve	16		**326**		72
Share scheme reserve	16		**19,949**		12,449
Profit and loss account	16		**1,855,669**		1,857,982
Shareholders' funds	17		**3,415,266**		3,408,729

The financial statements were approved by the Board of directors and authorised for issue on 2 November 2009.

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	**2009**	2008
		£	£
Operating profit		**662,658**	1,001,804
Amortisation of goodwill	10	**28,992**	28,992
Depreciation of tangible assets	11	**92,636**	83,936
Operating costs not represented by cash flows	19	**7,500**	(7,348)
Decrease/(increase) in debtors		**231,480**	(157,967)
(Decrease)/increase in creditors		**(42,066)**	121,829
Net cash inflow from operating activities		**981,200**	1,071,246
Net cash inflow from operating activities		**981,200**	1,071,246
Returns on investments and servicing of finance			
Interest received		**78,793**	141,823
Taxation		**(290,542)**	(264,965)
Capital expenditure and financial investment			
Purchase of tangible fixed assets	11	**(19,887)**	(144,495)
Equity Dividends paid	8	**(283,291)**	(284,042)
Financing			
Issue of ordinary share capital	15	**1,350**	1,600
Purchase of own shares		**(244,116)**	(20,350)
Increase in cash in the year		**223,507**	500,817
Reconciliation of net cash flow to net funds and analysis of net funds			
Increase in cash in the year		**223,507**	500,817
Opening net funds - cash		**3,332,204**	2,831,387
Closing net funds - cash		**3,555,711**	3,332,204

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. As long as all other vesting conditions are satisfied, a charge is made.

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

	2009	2008
	£	£
This is arrived at after charging:		
Depreciation of tangible assets	**92,636**	83,936
Research & development	**451,841**	321,389
Amortisation of goodwill	**28,992**	28,992
Hire of assets - operating leases	**102,500**	82,082
Auditors' remuneration - audit services	**21,000**	21,000
- taxation services	**3,000**	4,423
Equity settled share based payments	**7,500**	4,652
Foreign exchange gain	**52,653**	9,330

4 Employees

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

	2009 Number	2008 Number
Client related staff	**66**	68
Administrative staff	**6**	6
	72	74

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

	2009 £	2008 £
Wages and salaries	**2,685,292**	2,486,672
Social security costs	**284,455**	252,514
Pension costs	**38,783**	25,768
	3,008,530	2,764,954

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

5 Directors

	2009 £	2008 £
Directors remuneration consists of:		
Fees and emoluments for management services	**271,124**	219,717

Pension contributions to defined contribution schemes paid by the company on behalf of three directors (2008: two directors) amounted to £16,600 (2008: £10,100).

Emoluments of the highest paid director amounted to £117,498 (2008: £133,667). In addition, pension contributions of £6,500 (2008: £6,500) were paid in the year.

Share options

Share options granted to directors are set out below:

Name	Number at 1 August 2008	Granted/ (lapsed) in year	Exercised	Number at 31 July 2009	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 2008	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
D K Moore	-	10,000	-	10,000	112.5p	11 December 2011	10 December 2018
D J Earland	5,400	-	-	5,400	147.5p	14 December 2010	13 December 2017
D J Earland	-	6,000	-	6,000	112.5p	11 December 2011	10 December 2018

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

	2009	2008
Equity – settled		
Option pricing model used	**Black-Scholes**	Black-Scholes
Weighted average share price and exercise price at grant date (p.)	**110.0/112.5**	135/147.5
Weighted average contractual life (days)	**1,825**	1.825
Expected volatility	**10%**	20%
Expected dividend yield	**3.0%**	3.0%
Risk free interest rate	**4.5%**	4.70%

7 Taxation on profit from ordinary activities

	2009	2008
	£	£
Taxation on profit on ordinary activities	**216,357**	343,033

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	**741,451**	1,143,627
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28%	**207,606**	320,216
Effects of:		
Expenses not deductible for tax purposes	**2,834**	5,600
Capital allowances in deficit of depreciation	**18,402**	8,219
Other timing differences	**1,130**	-
Marginal relief	**(11,877)**	(6,908)
Adjustments in respect of previous periods	**(1,738)**	-
Adjustment for higher rate tax – profits taxed at 30%	**-**	15,906
Total current tax	**216,357**	343,033

Deferred tax: On 31 July 2009 there was an unprovided deferred tax asset as set out below.

	As at 31 July 2009	As at 31 July 2008
	£	£
Accelerated capital allowances	**14,459**	4,777

8 Dividends

	2009	2008
Ordinary shares	**£**	£
Final dividend proposed for the prior year of 3.5p (2008 – 3.5p) per share	**283,291**	284,042
Ordinary shares		
Final dividend proposed for the year of 3.5p (2008 –3.5p) per share	**274,758**	283,291

9 Earnings per share

Basic earnings per share

This is calculated by dividing the profit of £525,094 (2008 - £800,594), being the profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue throughout the year of 8,022,712 (2008 - 8,113,228).

Diluted earnings per share

The weighted average number of shares for 2009 for this calculation was 8,037,167 (2008 8,149,785). This is calculated based on the weighted average number of ordinary shares adjusted by 14,455 (2008 - 36,557) to recognise the effect of the potential issue of further ordinary shares as a result of the exercise of share options.

The company has 107,981 (2008:7,750) anti-dilutive options outstanding at the end of the year that were, accordingly, not included in the calculation of earnings per share.

10 Intangible assets

	Goodwill on acquisition
Cost	**£**
At 1 August 2008 and 31 July 2009	**290,000**
Amortisation	
At 1 August 2008	244,011
Provision for the year	28,992
At 31 July 2009	**273,003**
Net book value	
At 31 July 2009	**16,997**
At 31 July 2008	45,989

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 2008	66,377	227,759	33,046	327,182
Additions	-	17,237	2,650	19,887
At 31 July 2009	**66,377**	**244,996**	**35,696**	**347,069**
Depreciation				
At 1 August 2008	6,639	125,066	16,692	148,397
Provision for the year	13,500	73,066	6,070	92,636
At 31 July 2009	**20,139**	**198,132**	**22,762**	**241,033**
Net book value				
At 31 July 2009	**46,238**	**46,864**	**12,934**	**106,036**
At 31 July 2008	59,738	102,693	16,354	178,785

12 Debtors

	2009 £	2008 £
Trade debtors	**739,737**	965,882
Prepayments	**66,909**	75,036
Other debtors	**3,692**	900
	810,338	1,041,818

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

13 Creditors: amounts falling due within one year

	2009	2008
	£	£
Trade creditors	**96,444**	170,553
Corporation tax	**326,177**	400,362
Taxation and social security	**136,620**	142,495
Accruals and deferred income	**513,439**	475,521
	1,072,680	1,188,931

14 Provisions for liabilities

	2009	2008
	£	£
Provision for Employer's National Insurance in respect of outstanding share options, pursuant to UITF Abstract 25:		
At start of year	**1,136**	13,136
(Released)/charged to staff costs in the year	**-**	(12,000)
At 31 July 2009	**1,136**	1,136

An Employer's National Insurance liability will arise upon the exercise of the unapproved 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

	2009 and 2008 Number	2009 and 2008 £
Authorised		
Ordinary shares of 0.1p (2008 - 0.1p) each	56,370,000	**56,370**
Redeemable preference shares of £1 (2008 - £1) each	43,630	**43,630**

	Ordinary shares of 0.1p each Number	Ordinary shares of 0.1p each £
In issue at 1 August 2008	8,101,363	8,101
Bought in and cancelled during the year	(253,831)	(254)
Share options exercised	2,700	3
In issue at 31 July 2009	**7,850,232**	**7,850**

2,700 Ordinary shares of 0.1p were issued on the exercise of approved share options on 8 December 2008 and the consideration amounted to £1,350.

During the year 253,831 shares were bought in for a total consideration of £244,116 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 2009 was 102.5p and the range during the financial year was from 100p to 115p.

Share options

At 31 July 2009 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 2008	Granted	Lapsed	Exercised	At 31 July 2009	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
	38,835	-	-	-	**38,835**			
Approved Scheme								
29 June 2001	7,750	-	-	-	**7,750**	8	29 June 2004 - 28 June 2011	152p
31 May 2002	8,300	-	-	-	**8,300**	10	31 May 2005 - 30 May 2012	92.5p
18 December 2003	16,100	-	1,400	2,700	**12,000**	12	18 December 2006 - 17 December 2013	50.0p
6 December 2004	14,000	-	-	-	**14,000**	14	6 December 2008 - 5 December 2014	65.0p
26 January 2006	6,915	-	750	-	**6,165**	6	26 January 2009 - 25 January 2016	104p
18 December 2006	13,250	-	-	-	**13,250**	14	18 December 2009 - 17 December 2016	137.5p
13 December 2007	38,149	-	1,500	-	**36,649**	37	13 December 2010 - 12 December 2017	147.5p
11 December 2008	-	49,332	-	-	**49,332**	49	11 December 2011 - 10 December 2018	112.5p
	104,464	49,332	3,650	2,700	**147,446**			

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 2008	1,530,125	72	12,449	1,857,982
Purchase and cancellation of shares		254		(244,116)
Profit for the year				525,094
Dividends				(283,291)
Charge for share options			7,500	
Issue of shares on exercise of options	1,347			
At 31 July 2009	**1,531,472**	**326**	**19,949**	**1,855,669**

17 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Opening shareholders funds	**3,408,729**	2,906,275
Profit for the year	**525,094**	800,594
Increase in share scheme reserve	**7,500**	4,652
Dividends paid	**(283,291)**	(284,042)
Purchase and cancellation of shares	**(244,116)**	(20,350)
Issue of shares	**1,350**	1,600
Net increase in shareholders funds	**6,537**	502,454
Closing shareholders funds	**3,415,266**	3,408,729

18 Commitments under operating leases

As at 31 July 2009, the company had annual commitments under non-cancellable operating leases for land and buildings as set out below:

	2009	2008
Operating leases which expire:	£	£
In two to five years	**102,500**	102,500

19 Operating costs not represented by cash flows

	2009	2008
	£	£
Appropriation to share scheme reserve (note 16)	**7,500**	4,652
National insurance release on share options (note 14)	**-**	(12,000)
	7,500	(7,348)

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 (2008 - £3,000,000) were held in a 30 day notice treasury reserve account at a 0.64% (2008 - 4.81%) 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 assets and 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.

22 Related party transactions

The following related party transactions happened during the year:

	2009	2008
Dividends paid to the directors of the company:	£	£
CEH Hipps	**189,157**	189,157
DK Moore	**1,750**	1,750

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 Bridge Works, The Crescent, London, SW19 8DR on Friday, 11 December 2009 at 3.30pm 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 2009.

2 To approve the payment of a dividend of 3.5p per share.

3 To consider the re election of IOW Moore who retires as a director in accordance with the Articles of Association.

4 To consider the re-election of DJ Earland who retires as a director in accordance with the Articles of association

5 To re-appoint BDO LLP as auditors and to authorise the directors to fix their remuneration for the ensuing year.

As Special Business:

6 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 701 of the Companies Act 2006, 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 Section693(4) 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 392,500 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: 2 November 2009

Notes

1) A member of the company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of him or herself. A proxy need not be a member of the company. In default of a specific appointment, the Chairman of the Meeting will act as your proxy.

2) The appointment of a proxy does not preclude a member of the Company from attending and voting at the meeting.

3) In the case of joint holders only one need sign. The vote of the most senior holder named in the Register of Members alone will be counted.

4) To be valid the Form of Proxy must be completed and signed, together with any power of attorney or other authority under which it is signed or a duly certified copy thereof and lodged with World Careers Network PLC, 5/7 Bridge Works, The Crescent, London SW19 8DR

5) 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 11am on Friday, 4 December 2009 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 11am on Friday, 4 December 2009 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