

PENNA CONSULTING PLC

(“Penna” or “the Group”)

Preliminary Results for the year ended 31 March 2010

4 June 2010

Penna Consulting Plc (PNA:AIM), the international human resources consulting group, today announces its preliminary unaudited results for the year ended 31 March 2010.

FINANCIAL HIGHLIGHTS

- Revenue up 72% to £108.5m (2009: £63.2m) and net revenues up 19% to £50.9m (2009: £42.6m)
- Pre tax profits before exceptional items up 22% to £7.3m (2009: £6.0m), pre tax profit post exceptional items £3.6m (2009:£6.0m)
- Like for like revenues £62.3m (2009: £63.2m) and pre tax profit before exceptional items £6.6m (2009: £6.0m, up 10%)
- Cash at year end £5.3m (31 March 2009: £8.9m)
- No bank debt, balance sheet remains strong
- Final dividend maintained at 4p (2009: 4p); total dividend for the year up 17% to 7p (2009: 6p)
- Diluted earnings per share (before exceptional items) 19.3p (2009: 17.1p)

OPERATIONAL HIGHLIGHTS

- Barkers acquired in June 2009 for £8.6m in cash; integration has gone smoothly and is now complete
- Reorganisation of business into four service groups: Recruitment & Marketing Communications, Resourcing, Executive Recruitment & Interim and HR Consulting
- Business being impacted by the recent announcement by the Coalition Government of its intention to freeze recruitment in the public sector

Commenting on the results and outlook, Stephen Rowlinson, Chairman, said:

“We have completed a very successful year with strong profit growth and we have also taken significant steps towards achieving our strategy to become the leading HR services firm in the UK. The current year will be challenging for all UK recruitment businesses and we believe that because Penna has a major Career Transition business we are in a stronger position than many of our competitors in the HR services sector.”

ENDS

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Penna Consulting Plc

Chairman's Review

We have completed a very successful year with strong profit growth and we have also taken significant steps towards achieving our strategy to become the leading HR services firm in the UK.

Revenue for the year ended 31 March 2010 was up 72% to £108.5m (2009: £63.2m). Net revenues increased 19% to £50.9m (2009: £42.6m) and profit before tax (before non-recurring exceptional items) increased by 22% to £7.3m (2009: £6.0m).

At the same time as delivering this excellent financial performance the Group completed the acquisition of Barkers, which doubled Penna's revenues and has great potential for the future. Barkers was acquired in late June 2009 to complement and extend Penna's existing businesses and give access to a wider range of clients. In the nine months trading since its acquisition, Barkers produced revenue of £46.2m, net revenue of £10.5m and a profit before tax of £0.7m.

Following the Barkers acquisition we have organised the enlarged company into four service groups, namely Recruitment & Marketing Communications, Resourcing, Executive Recruitment & Interim and HR Consulting, each led by a Managing Director reporting directly to the Chief Executive. Each of these service groups has traded profitably this year and has strong long term prospects.

Penna's businesses are highly cash generative and our balance sheet is strong. We have no bank debt and facilities established in 2007 remain undrawn. Acquisition costs and the costs of subsequent reorganisation and relocation were paid out of cash reserves, yet cash at the period end was £5.3m (2009: £8.9m).

Dividends

An interim dividend of 3p per share (2009: 2p) was paid on 5 March 2010. The Board is recommending a final dividend of 4p per share making a total dividend for the year of 7p (2009: 6p). The proposed final dividend will be payable on 29 October 2010 to shareholders on the register on 1 October 2010.

Outlook

The Group has been successfully reorganised to accommodate the acquisition of the Barkers business and is focussed on delivering profitable growth in each of its four service groups; Recruitment & Marketing Communications, Resourcing, Executive Recruitment & Interim and HR Consulting.

The first three of these service groups provide recruitment and related services and together account for two thirds of Group revenues of which approximately half is in the Public sector.

During the election period a number of government recruitment projects were put on hold and this has been followed by the announcement from the Coalition Government of its intention to freeze recruitment across central government. Consequently we expect a significant reduction of revenue from these service groups during the new company year. We are therefore making significant adjustments to our cost base to ensure our cost structure fully reflects the anticipated levels of business activity during this time. We are confident that these three service groups will be well positioned to expand rapidly when market conditions improve.

Meanwhile the majority of our profits will continue to come from our Career Transition business within the HR Consulting service group. Penna is the UK's leading supplier of Career Transition services to organisations and their employees, enabling them to effectively manage the process of change in the workplace. We assist employers in handling all aspects of redundancy programmes and we provide support to their ex-employees to ensure that they successfully embark on new careers. We are currently working with a large number of organisations as they plan the implementation of the Coalition Government's policy to restructure the whole of the UK's Public Sector. These programmes will, however, take time to organise and to proceed through the process of consultation and negotiation. We therefore expect that any significant contribution to our trading performance will be seen towards the end of the current year.

The combination of these factors is expected to impact our business in the first half of the current year and, as a result, there will be only marginal profits in this period. However, we expect a much stronger performance in the second half of the current financial year, as downsizing projects in the public sector are implemented and recruitment in the private sector continues to recover.

The current year will be challenging for all UK recruitment businesses and we believe that because Penna has a major Career Transition business we are in a stronger position than many of our competitors in the HR services sector.

Stephen Rowlinson

Chairman

4 June 2010

Operational and Financial Review

	Revenues		Net revenues		Operating profit*	
	2010	2009	2010	2009	2010	2009
Recruitment & Marketing Communications	£43.7m	£5.3m	£8.1m	£1.2m	£0.4m	£(0.1)m
Resourcing	£12.6m	£3.4m	£4.6m	£1.1m	£0.8m	£0.4m
Executive Recruitment & Interim	£16.9m	£17.6m	£4.7m	£4.9m	£0.7m	£0.7m
HR Consulting	£35.3m	£36.9m	£33.5m	£35.4m	£6.4m	£6.3m
Total	£108.5m	£63.2m	£50.9m	£42.6m	£8.3m	£7.3m

* Operating profit before unallocated central costs £1.0m (2009: £1.4m) and non-recurring exceptional items £3.7m (2009: nil).

Penna Recruitment and Marketing Communications is the UK's largest Recruitment Advertising Agency, creating candidate attraction strategies using print, digital and other media. These include attraction, engagement, employer branding or reputation management, in more specific areas such as graduate and student marketing, social media strategy and candidate management for clients. These services are typically provided under long term arrangements with clients.

The business continues to migrate to web based services and project solutions, with 58% of net revenues derived from digital services as opposed to traditional print media.

Clients include major UK and international blue chip companies and public sector and government organisations. The private sector accounts for approximately 35% of net revenues with approximately 250 current clients. We expect increased revenues from the private sector as organisations increase their recruitment activity as the economy recovers. The public sector has historically been a significant user of recruitment advertising and communication services. Whilst the current government policy of an effective freeze on recruitment across central government represents a short term trading challenge in the longer term our market leading position in this area positions us well to support organisations across the public sector. Our current net revenues are split 16% central government departments, 22% local government and 27% health and education. We provide services to over 200 companies, 50 central government departments, 40 universities and 30 local government authorities.

The service group produced many hundreds of campaigns during the year. Some examples are award winning recruitment advertising for O2, using digital and non-traditional channels; a graduate recruitment project for Aviva; a training and development project for Reed Elsevier which is now being rolled out across US and EMEA and a BBC project involving website design and production and a wide range of digital media advertising.

In the period under review, Recruitment and Marketing Communications reported revenues of £43.7m (2009: £5.3m), net revenues of £8.1m (2009: £1.2m) and £0.4m of operating profit (2009: loss £0.1m). The service group has 97 London based employees and 45 located in regions across the UK. As part of the integration of the Barkers acquisition, teams from Barkers have moved into Penna's existing offices in Edinburgh, Leeds and will soon do so in Birmingham. New leases have been negotiated on favourable terms in London, Bristol, Slough and Wilmslow.

In the short term we expect there to be reduced revenues from public bodies as spending plans are reviewed. Our strategy is to ensure that this part of the Group will operate profitably at much lower levels of turnover than those seen in recent years. Our staffing levels, office costs and all other overheads are organised around this principle. When the market recovers we will be ready to respond immediately and to grow rapidly.

Penna Resourcing is a leading Recruitment Solutions and Assessment practice, transforming the way our clients recruit and retain great people to deliver their strategic goals. Our services include Recruitment Project Management, Resourcing Consultancy and Talent Sourcing. Our clients range from small and medium sized enterprises through to global organisations, and is split 50:50 across the commercial and public sectors. Resourcing projects are normally contracted for a number of years.

During the year we delivered outsourced resourcing solutions and recruitment management projects for over 50 clients including leading players in the financial services, technology and telecommunications arena as well as major assignments for Central Government under the Buying Solutions Framework

The Resourcing service group reported revenues of £12.6m (2009: £3.4m) in the year, net revenues of £4.6m (2009: £1.1m) and an operating profit of £0.8m (£2009: £0.4m). Penna Resourcing employs approximately 70 people based both in Penna's offices and on-site at client premises.

As the economy recovers organisations will look for new and more effective ways to recruit the best people and our Resourcing business is well placed to continue to play a leading role in this important market sector. New and innovative methods of talent sourcing are being developed for a number of clients in anticipation of higher levels of recruitment activity next year.

Penna Executive Recruitment and Interim is a leading Executive Search consultancy for both the public and private sectors and its Executive Interim team is one of the leading suppliers of executive interim managers across Europe. Our focus on the Public Sector through the recession has proved an effective strategy in maintaining volumes and we intend to expand business in commercial sectors as these markets improve.

Penna employs 43 people in this service group and reported revenues of £16.9m (2009: £17.6m) in the year. The service group generated £0.7m (2009: £0.7m) of operating profits on net revenues of £4.7m (2009: £4.9m), an excellent result for the business during such difficult trading conditions.

Examples of the services carried out in the year include the recruitment and interim leadership team for Virgin Mobile Qatar/Qtel which has now moved on to an international search projects. Penna has completed 15 searches and 5 interims for Stoke on Trent City Council, a client introduced to the team through Recruitment & Marketing Communications service group. The largest search project last year was a project for the Training & Development Agency which resulted in a Penna hiring 32 regional managers with the whole project completed in just three months.

Penna HR Consulting is a leader in Assessment, Management Development, Executive Coaching, Organisational Design and is the UK's largest Career Transition consultancy. Penna provides consultancy services across a broad range of sectors including financial services (35% of net revenues), the public sector (12%), telecoms, media and technology (11%), and professional services (10%). Services are procured by HR Directors normally on a project basis under preferred supplier agreements that are typically renewed every two to three years.

Penna HR Consulting employs approximately 152 people and reported revenues of £35.3m (2009: £36.9m), and generated operating profits of £6.4m (2009: £6.3m) on net revenues of £33.5m (2009: £35.4m). The majority of Penna's consultancy services are delivered by highly skilled, Penna trained, self employed associates. These associates enable the company to meet the specific needs of clients as demand changes and, together with the use of temporary office space and the extensive use of technology, ensures the business maintains a flexible cost structure.

Penna's HR Consulting service group provides a wide range of services in the UK and across the globe. We have permanent offices in Ireland, Spain and Sweden and have delivered services to clients such as Barclays, RBS and Hewlett Packard in over 30 countries.

Penna has provided career transition and downsizing consultancy to the public sector for many years with projects such as the abolition of the Greater London Council in the mid 1980s and a ten year project working with the Police Service of Northern Ireland. Penna delivered career transition services to 125 public bodies in the current financial year.

The new Coalition Government's policy to restructure the whole of the UK's Public Sector represents a major opportunity for Penna to assist local and central government with their need to reduce costs in the coming years through organisational change and effective downsizing. Penna is in active talks with a number of public bodies to provide career transition services. We are also establishing alliances with the major outsourcing businesses to provide content for their public sector clients.

Non-recurring exceptional items

Following the acquisition of Barkers in June 2009 the Group incurred £3.7m of costs relating specifically to the acquisition and related restructuring costs. £1.9m was incurred in people related costs following the transfer of the business as further reductions in headcount to the underlying revenue run-rate were made and duplications in roles were addressed. A further £0.8m of costs have been incurred in restructuring the group's property portfolio. Penna has moved the Barkers London based business into a new office at Fleet Place and Barkers' teams have moved into Penna properties in Edinburgh and Leeds with plans for a similar co-location in Birmingham in mid 2010. Overall annual rental savings of £0.8m have been achieved. Other costs of £1.0m include temporary increased cost of trading, IT expenditures re-branding and web-site redesign.

Taxation

The charge for the year represents 30% of profit (2009: 25%). The increase in the effective tax rate is due to tax losses being fully utilised in the prior year.

Dividends

An interim dividend of 3p per share (2009: 2p) was paid on 5 March 2010. Your Board is recommending a final dividend of 4p per share making a total dividend for the year of 7p (2009: 6p). The proposed final dividend will be payable on 29 October 2010 to shareholders on the register on 1 October 2010.

Earnings per share

Basic adjusted earnings per share increased 2.9p to 20.8p before acquisition costs (2009:17.9p) and adjusted diluted earnings per share, taking into account the potential dilution of existing options, increased 2.2p to 19.3p (2009: 17.1p).

Balance sheet

The Group's net assets increased by £0.7m to £22.8m (2009: £22.1m) with retained profit of £2.3m being absorbed by the payment of £1.8m in dividends in the year.

The Group's trade debtors have increased to £17.2m (2009: £12.7m) with the acquisition in June 2009 of £8.0m of Barkers' trade debtors. Debtor days outstanding have reduced to 44 days (2009: 59) reflecting continued tight debtor management.

The Group had a cash balance of £5.3m at 31 March 2010 (2009: £8.9m) and has had no debt during the financial period. Following the year end the Group has renewed its working capital facilities with Barclays with a secured invoice discounting facility of up to £3.0m available until June 2012. An asset finance facility of £1.85m has also been agreed with Barclays and this remains undrawn.

Cashflow

Cash generated from operations amounted to £13.4m as strong working capital management was enhanced by the collection of the acquired Barkers' trade debtors and the establishment of normal trading terms with the Barkers' suppliers post administration. The Company paid £8.9m in cash for Barkers and an additional £3.7m has been recognised as exceptional acquisition costs in the period, of which £2.2m has been paid during the year.

The Group has invested in its offices to improve client space and accommodate people from the Barkers acquisition. New properties have been fitted out at a cost of £3.6m in Fleet Place and Cavendish Square in London and in office upgrades in the regions. A further £0.6m has been spent on computers and £0.5m on capitalised software during the year.

The Company received £0.4m from employees exercising options over 386,000 shares in the year at exercise prices between 91p and 133p. The Company also lent £0.7m to its Employee Benefit Trust in order for the trust to purchase 367,974 Penna shares to meet future share option obligations.

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**Consolidated statement of comprehensive income
for the year ended 31 March 2010 (unaudited)**

	Notes	31 March 2010	31 March 2009
		£'000	£'000
Continuing operations			
Revenue		108,458	63,162
Operating expenses		(101,177)	(57,276)
Operating profit before non-recurring exceptional items			
		7,281	5,886
Non-recurring exceptional items	2	(3,715)	-
Operating profit			
		3,566	5,886
Finance income		37	141
Finance expense		(20)	(24)
Profit before tax			
		3,583	6,003
Income tax expense	3	(1,086)	(1,497)
Profit for the year from continuing operations			
		2,497	4,506
Discontinued operations			
Post tax loss on disposal of discontinued operations		-	(788)
Profit for the year			
		2,497	3,718
Other comprehensive income:			
Exchange differences		(1)	(129)
Other comprehensive income		(1)	(129)
Total comprehensive income for the year			
		2,496	3,589
The above results relate to continuing operations			
Earnings per share from continuing operations:			
	4	Pence	Pence
- Basic		9.9p	17.9p
- Diluted		9.2p	17.1p

Non GAAP performance measure

Adjusted earnings per share from continuing operations:

	4		
- Basic		20.8p	17.9p
- Diluted		19.3p	17.1p

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**Consolidated statement of changes in equity
at 31 March 2010 (unaudited)**

	Called up share capital £'000	Share Premium account £'000	Merger reserve £'000	Employee Share Option plan reserve £'000	Foreign currency translation reserve £'000	Retained earnings £'000	Total equity £'000
At 1 April 2008	1,264	15,109	10,170	(397)	3	(6,818)	19,331
Transactions with owners							
Increase in share capital	6	100	-	-	-	-	106
Dividends	-	-	-	-	-	(1,007)	(1,007)
Share option credit	-	-	-	-	-	130	130
Total transactions with owners	6	100	-	-	-	(877)	(771)
Comprehensive income							
Profit for the year	-	-	-	-	-	3,718	3,718
Other comprehensive income							
Currency translation differences	-	-	-	-	(129)	-	(129)
Total comprehensive income/(expense) for the year	-	-	-	-	(129)	3,718	3,589
At 31 March 2009	1,270	15,209	10,170	(397)	(126)	(3,977)	22,149
Transactions with owners							
Increase in share capital	19	430	-	-	-	-	449
Dividends	-	-	-	-	-	(1,812)	(1,812)
Purchase shares by EBT	-	-	-	(676)	-	-	(676)
Share option credit	-	-	-	-	-	240	240
Total transactions with owners	19	430	-	(676)	-	(1,572)	(1,799)
Comprehensive income							
Profit for the year	-	-	-	-	-	2,497	2,497
Other comprehensive income							
Currency translation differences	-	-	-	-	(1)	-	(1)
Total comprehensive income/(expense) for the year	-	-	-	-	(1)	2,497	2,497
At 31 March 2010	1,289	15,639	10,170	(1,073)	(127)	(3,052)	22,846

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**Consolidated statement of financial position
at 31 March 2010 (unaudited)**

	Notes	31 March 2010	31 March 2009	31 March 2008
		£'000	£'000	£'000
Non-current assets				
Goodwill		17,317	14,036	14,036
Property, plant and equipment		5,075	1,823	1,850
Other intangible assets		630	24	32
Deferred tax		-	75	24
		23,022	15,958	15,942
Current assets				
Trade receivables		17,245	12,672	11,271
Other current assets		2,533	2,419	1,788
Cash and cash equivalents	6b	5,314	8,875	2,961
		25,092	23,966	16,020
Total assets		48,114	39,924	31,962
Current liabilities				
Trade payables		7,856	2,520	2,368
Loan notes		24	41	111
Obligations under financial leases		-	-	88
Short-term provisions		46	78	153
Corporation tax		274	838	154
Other payables and accruals	7	16,339	13,840	9,406
		24,539	17,317	12,280
Non-current liabilities				
Long-term provisions		484	458	351
Deferred tax		245	-	-
		729	458	351
Total liabilities		25,268	17,775	12,631
Net assets		22,846	22,149	19,331
Capital and reserves				
Called up share capital		1,289	1,270	1,264
Share premium account		15,639	15,209	15,109
Merger reserve		10,170	10,170	10,170
Employee Share Option Plan reserve		(1,073)	(397)	(397)
Foreign currency translation reserve		(127)	(126)	3
Retained loss		(3,052)	(3,977)	(6,818)
Total equity		22,846	22,149	19,331

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Consolidated statement of cash flows for the year ended 31 March 2010 (unaudited)

	Notes	31 March 2010 £'000	31 March 2009 £'000
Cash flows from operating activities			
Cash generated by operations	6a	13,381	7,915
Income tax paid		(1,322)	(605)
Interest paid		(20)	(19)
Interest received		37	141
Net cash generated from operating activities		12,076	7,432
Cash flows from investing activities			
Net purchase of property, plant and equipment		(4,225)	(437)
Net purchase of intangible assets		(490)	(17)
Purchase of ESOP shares		(676)	-
Purchase of trade and assets		(8,866)	-
Net cash used in investing activities		(14,257)	(454)
Cash flows from financing activities			
Issue of ordinary share		449	106
Interest paid on finance leases		-	(5)
Repayment of finance leases		-	(88)
Repayment of loan notes		(17)	(70)
Dividends paid		(1,812)	(1,007)
Net cash used in financing activities		(1,380)	(1,064)
Net (decrease)/increase in cash and cash equivalents		(3,561)	5,914
Cash and cash equivalents at start of year		8,875	2,961
Cash and cash equivalents at end of year	6b	5,314	8,875

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Notes to the preliminary announcement for the year ended 31 March 2010 (unaudited)

1. Accounting policies

The unaudited preliminary consolidated financial information is for the year ended 31 March 2010. The financial information has been prepared under the historical cost convention, except for certain financial instruments, using accounting policies that are consistent with current International Financial Reporting Standards (IFRS) as endorsed by the European Union and also comply with IFRIC interpretation and Common Law applicable to companies reporting under IFRS. The financial information is unaudited.

Non-GAAP performance measures

The directors believe that the adjusted profit and earnings per share measures provide additional useful information for shareholders on the underlying performance of the business. These measures are consistent with how underlying business performance is measured internally. The adjusted profit before tax measure is not a recognised profit measure under IFRS and may not be directly comparable with adjusted profit measures used by other companies. Adjustments have been made to reported profit before tax to exclude exceptional income and charges as these are one-off in nature and therefore create significant volatility in reported earnings.

2. Non-recurring exceptional items

Non-recurring exceptional items comprise costs incurred by the Group in integrating the trade and assets of the Barkers Group, purchased on 29 June 2009. They are highlighted in the consolidated statement of comprehensive income because separate disclosure is considered appropriate in understanding the underlying performance of the business. The highlighted items arise from redundancy expenses, surplus property and other costs.

	Year ended 31 March 2010	Year ended 31 March 2009
	£'000	£'000
Non recurring:		
Personnel costs	1,934	-
Property costs	772	-
IT related	249	-
Other acquisition related costs	760	-
Total	3,715	-

3. Income tax expense

Taxation has been provided for at 28% (2009:28%), for the UK and appropriate rates for overseas earnings.

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Notes to the preliminary announcement for the year ended 31 March 2010 (unaudited)

4. Earnings per share

The calculation of basic and diluted earnings per share are based on the following amounts:

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
Earnings		
Profit for the year after tax	2,497	3,718
Profit for the year from continuing operations after tax	2,497	4,506
Profit for the year pre non-recurring exceptional items after tax	5,255	4,506
Number of shares		
Weighted average number of shares	25,301,195	25,184,491
Dilution effect of share option schemes	1,998,209	1,093,230
Diluted weighted average number of shares	27,299,404	26,277,721
Earnings per share (total activities):		
Basic	9.9p	14.8p
Diluted	9.2p	14.2p
Earnings per share (continuing activities):		
Basic	9.9p	17.9p
Diluted	9.2p	17.1p
Adjusted earnings per share:		
Basic	20.8p	17.9p
Diluted	19.3p	17.1p

5. Dividends

A final dividend of 4 pence per Ordinary share is proposed (2009: 4 pence) and if approved by Shareholders will be paid on 29 October 2010 to shareholders on the register on 1 October 2010. An interim dividend of 3 pence per ordinary share (2009: 2 pence) was paid on 5 March 2010 making a total dividend for the year ended 31 March 2010 of 7 pence per share (2009: 6 pence).

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**Notes to the preliminary announcement (continued)
for the year ended 31 March 2010 (unaudited)**

6a. Reconciliation of operating profit to cash flows from activities	31 March 2010	31 March 2009
	£'000	£'000
Profit from continuing activities	2,497	4,506
Income tax expense	1,086	1,497
Finance income	(37)	(141)
Finance expense	20	24
Operating profit	3,566	5,886
Adjustments for:		
Depreciation and amortisation	1,049	495
Share option expense	240	130
Loss on disposal of fixed assets	359	-
Changes in working capital:		
Decrease/(increase) in trade and other receivables	5,151	(2,032)
Increase in trade and other payables	3,022	3,404
(Decrease)/increase in provisions	(6)	32
Cash flow from operation	13,381	7,915

6b. Cash and cash equivalents	At 31 March 2010	At 31 March 2009
	£'000	£'000
Cash and cash equivalents are made up as follows:		
Cash at bank	5,290	8,834
Cash on restricted deposit	24	41
Cash and cash equivalents	5,314	8,875

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**Notes to the preliminary announcement (continued)
for the year ended 31 March 2010 (unaudited)**

	31 March 2010	31 March 2009	31 March 2008
	£'000	£'000	£'000
7. Other payables and accruals			
Media and associate accruals	6,916	3,240	2,462
Staff related accruals	1,340	1,621	739
Overheads	2,630	1,432	1,471
Other	2,192	2,836	1,568
Taxes and social security	1,623	1,629	1,317
Deferred income	1,638	3,082	1,849
Total	16,339	13,840	9,406

8. Goodwill and intangible assets

Following the acquisition of Barkers an exercise to identify and assess the value of intangible assets acquired has been carried out.

Any value identified for intangible assets following this review has been separated from goodwill and amortised over the intangible assets' useful economic life.

	£,000
Consideration	8,866
Fair value of assets acquired:	
Tangible fixed assets	258
Intangible fixed assets	676
Current assets	9,082
Current liabilities	<u>(4,406)</u>
Goodwill	<u>3,256</u>

9. Nature of the financial information

The Board of Directors approved the Preliminary Results on 4 June 2010.

The financial information in this preliminary announcement does not constitute statutory accounts within the meaning of Section 435 the Companies Act 2006. The financial information in respect of the year to 31 March 2010 is unaudited. Statutory accounts for the year ended 31 March 2009, on which the auditor's report was unqualified and did not contain a statement under s237(2) or (3) of the Companies Act 1985, have been delivered to the Registrar of Companies. Copies can be obtained from our Registered Office at 5 Fleet place, London EC4M 7RD.

The financial information included in this preliminary announcement has been compiled in accordance with International Financial Reporting Standards (IFRSs) as endorsed by the European Union. This announcement does not itself contain sufficient information to comply with IFRSs as endorsed by the European Union. The Company expects to publish full financial statements that comply with IFRSs as endorsed by the European Union in August 2010.