11 April 2012

Matchtech Group plc
Half year financial report for the six months ended 31 January 2012

Matchtech Group plc ("Matchtech" or the "Group"), one of the UK's leading recruitment solutions specialists, today announces its unaudited results for the six months ended 31 January 2012.

Financial Headlines

- Revenue: Up 25% to £176.7m (2011 H1: £141.1m)
- Net Fee Income (NFI) *: Up 26% to £17.2m (2011 H1: £13.6m)
- Permanent recruitment fees: Up 33% to £5.6m (2011 H1: £4.2m)
- Contract NFI: Up 23% to £11.6m (2011 H1: £9.4m)
- Record number of contractors on placement **: Up 23% to 6,400 (31 Jan 2011: 5,200, 31 July 2011: 6,000)
- Profit from Operations: Up 36% to £3.4m (2011 H1: £2.5m)
- Profit before tax: Up 39% to £3.2m (2011 H1: £2.3m)
- Interim dividend maintained at 5.0p (2011 H1: 5.0p)
- Net debt ** of £11.0m (31 January 2011: £4.8m, 31 July 2011: £16.0m)

* NFI is calculated as Revenue less Contractor Payroll Costs
** At end of period: 31 January 2012

Operational Highlights

- Matchtech UK achieved NFI growth of 20%, with Engineering, Built Environment and Information Systems & Technology sectors all reporting significant progress in H1 2012
- Professional Services, which comprises the Barclay Meade and Alderwood Education brands, benefited from the investment in sales force headcount in 2011 by delivering 82% growth in Permanent Recruitment fees
- Permanent recruitment fees now represent 33% of Group NFI
- NFI per head in the period increased by 12%
- Acquisition of certain business assets of Xchanging Resourcing Services Limited ("XRS") in January 2012 allows the Group to expand into new markets

Commenting on the results, George Materna, Chairman of the Group said:

"The Group delivered a strong performance in the first half of the year.

Matchtech UK has seen unprecedented demand for contract staff within its core markets, with a record number of contractors on assignment, and Professional Services has fuelled strong growth in Permanent fees.

Trading has continued to progress solidly since our last update on 2 February 2012 and the Board currently anticipates that the results for the year to 31 July 2012 will be in line with its previous expectations."

For further information please contact:

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Financial Summary

		Six months to 31 January 2012 *unaudited* £m	Six months to 31 January 2011 *unaudited* £m	Increase %
Income Statement				
Revenue		176.7	141.1	25%
NFI		17.2	13.6	26%
Permanent recruitment fees		5.6	4.2	33%
Contract NFI		11.6	9.4	23%
Overheads		13.8	11.1	24%
Profit from Operations		3.4	2.5	36%
Profit Before Tax		3.2	2.3	39%
Basic EPS (pence)		9.5p	6.9p	38%
Dividend per Share (pence)	A	5.0p	5.0p	-
Cash flow, Debtors & Net Debt				
Cash flow from operations		9.4	3.6	161%
Debtors (days)	B	47	47	-
Net (Debt)	C	(11.0)	(4.8)	129%
Headcount				
Contractors on placement (nos.)		6,400	5,200	23%
Sales Force Headcount (nos.)		278	257	8%
NFI conversion (%)	D	19.8%	18.4%	7.6%

Notes:
A: Interim dividend declared for the six months to 31 January
B: At end of period. 31 July 2011: 53 days
C: At end of period. 31 July 2011: (£16.0) m. Banking facilities of £35.0m are committed until April 2013
D: Profit from Operations as a % of NFI

Background on Matchtech Group

Established in 1984, the Group specialises in the provision of contract, temporary and permanent staff and has grown to become one of the UK's leading technical, professional and recruitment outsourcing specialists.

The Group is split into four dedicated brands: Matchtech, Barclay Meade, Alderwood Education and elemense, providing specialist recruitment solutions to a broad range of clients across the UK and Europe. The Group's Head Office is based in Fareham, Hampshire and it has office locations in London, St Albans, Aberdeen and Stuttgart.

The directors of Matchtech Group plc are as disclosed on page 26 in the Annual Report for the year ended 31 July 2011, save for Rudi Kindts who joined on 1 March 2012.

MATCHTECH GROUP PLC

Interim report for the period ended 31 January 2012

Chairman's statement

The Group delivered a strong performance in the first half of the year.

Matchtech UK, our technical business, has seen unprecedented demand for contract staff within its core markets, with a record number of contractors on assignment.

Our diversification strategy, particularly into Professional Services, has fuelled the strong growth in Permanent fees, which now represent 33% of Group NFI.

The benefit of the Group's investment in sales force headcount during 2011 is reflected in NFI growth in H1 2012, with NFI per head increasing by 12%.

NFI conversion rate (conversion of NFI to Profit from Operations) rose 8% to 19.8% (2011: 18.4%). The Group expects the NFI conversion rate to improve significantly in the second half of the year compared with the first half, as last year.

In January 2012 the Group acquired certain assets of Xchanging Resourcing Services Limited, the contingency recruitment business of Xchanging plc. This allows the Group to expand into new markets and to forge closer links with one of our largest clients.

Operating review

The Group's divisional results may be analysed as follows:

Six months to 31 January 2012	Engineering	Built Environment	Information Systems & Technology	Science & Medical	**Matchtech UK**	Matchtech Germany	Professional Services	elemense	**Matchtech Group plc**
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Turnover	79.8	37.8	37.3	4.0	**158.9**	1.4	11.4	5.0	**176.7**
Contract NFI	4.8	2.5	2.1	0.4	**9.8**	0.3	0.8	0.8	**11.6**
Perm NFI	1.0	0.4	1.5	0.5	**3.4**	0.1	2.0	-	**5.6**
Total NFI	5.8	2.9	3.6	0.9	**13.2**	0.4	2.8	0.8	**17.2**
Overheads	(3.2)	(1.8)	(2.5)	(0.9)	**(8.4)**	(0.7)	(3.7)	(1.0)	**(13.8)**
Profit/(loss) from Operations	**2.6**	**1.1**	**1.1**	**-**	**4.8**	**(0.3)**	**(0.9)**	**(0.2)**	**3.4**

Six months to 31 January 2011	Engineering	Built Environment	Information Systems & Technology	Science & Medical	**Matchtech UK**	Matchtech Germany	Professional Services	Elemense	**Matchtech Group plc**
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Turnover	64.5	30.9	26.5	2.9	**124.8**	0.6	9.1	6.6	**141.1**
Contract NFI	4.0	2.2	1.6	0.3	**8.1**	0.1	0.6	0.6	**9.4**
Perm NFI	0.7	0.3	1.3	0.6	**2.9**	0.1	1.1	0.1	**4.2**
Total NFI	4.7	2.5	2.9	0.9	**11.0**	0.2	1.7	0.7	**13.6**
Overheads	(2.3)	(1.5)	(1.8)	(0.9)	**(6.5)**	(0.3)	(3.3)	(1.0)	**(11.1)**
Profit/(loss) from Operations	**2.4**	**1.0**	**1.1**	**-**	**4.5**	**(0.1)**	**(1.6)**	**(0.3)**	**2.5**

Matchtech UK

The strong growth in contractor numbers seen in the second half of last year has continued, with contractors on assignment at 31 January 2012 of 5,600 (31 January 2011: 4,400, 31 July 2011: 5,200).

Matchtech UK delivered NFI of £13.2m, a 20% increase compared with 2011 H1, with strong growth in both Contract (up 21%) and Permanent fees (up 17%). Profit from Operations improved to £4.8m, up £0.3m.

Engineering, the largest sector in Matchtech UK, representing 43% of its NFI, grew Permanent fees by 43% and Contract NFI by 20%. Contractors on assignment at the end of the period were 2,800, up 27% on the same period last year.

The Built Environment sector grew contractor numbers by 17% to 1,400, with Contract NFI up 14%. Permanent fees were stable.

The Information Systems & Technology sector reported a very strong performance, with NFI of £3.6m up 24% on 2011 H1. Contract NFI was up 31% and Permanent fees were up 15%.

Science & Medical reported unchanged NFI of £0.9m compared with 2011 H1.

Matchtech Germany

Continued penetration of the Group's chosen sectors of Aerospace, Automotive and Energy in Germany, where the Group established a presence in 2009, resulted in an increase in NFI from £0.2m to £0.4m.

Professional Services

The Professional Services brands of Barclay Meade and Alderwood Education, are developing well, extending their client base and diversifying into new markets. In the first half NFI for Professional Services was £2.8m, up 65% against 2011 H1, with strong growth of 82% in Permanent fees and Contract NFI up 33%.

Professional Services reduced its losses compared with the same period last year by 44% to£0.7m (2012: £0.9m loss, 2011: £1.6m loss).

elemense

elemense, which manages a number of the major framework contracts for the Group as a whole, continued to develop its Recruitment Process Outsourcing (RPO) business with NFI increasing by £0.1m to £0.8m in 2012 H1.

Around 17% of the Group's revenues are generated from accounts that elemense manages.

Acquisition

The Group completed the purchase of certain business assets of Xchanging Resourcing Services Limited ("XRS"), the contingency recruitment arm of Xchanging plc, on 16 January 2012 for a total cash consideration of £0.4m.

As part of the deal the Group secured an exclusive two year contract to January 2014 to supply contractors to Xchanging's business in the UK and the novation of existing XRS client contracts.

In the two weeks between acquisition and the period end the Group benefited from £11,000 of NFI from XRS.

People

The Group invested significantly in sales force headcount in 2011, with the majority of the headcount recruited at the start of the current financial year. The benefits of this increase in headcount have been reflected in both the NFI growth achieved by the Group in H1 2012, and in the improvement in NFI per head, as noted above.

Total staff numbers at the end of the period were 361 (31 January 2011: 341, 31 July 2011: 350).

Headcount may be analysed as follows:

	31 January 2012	31 January 2011	Increase	% Change	31 July 2011	Increase	% Change
Matchtech UK	176	155	+21	+14%	167	+9	+5%
Matchtech Germany	8	8	-	-	8	-	-
Professional Services	71	72	-1	-1%	68	+3	+4%
elemense	23	22	+1	+5%	24	-1	-4%
Sales force	**278**	**257**	**+21**	**+8%**	**267**	**+11**	**+4%**
Shared Services	83	84	-1	-1%	83	-	-
Total Headcount	**361**	**341**	**+20**	**+6%**	**350**	**+11**	**+3%**

Financial Overview

Revenue for the period was £176.7m up 25% (2011 H1: £141.1m), with NFI of £17.2m up 26% (2011 H1: £13.6m). Permanent recruitment fees of £5.6m were up 33% (2011 H1: £4.2m) and Contract NFI was up 23% to £11.6m (2011 H1: £9.4m). Contract NFI margin was broadly stable at 6.8% (2011 H1: 6.9%).

Overheads were £13.8m, up by 24%. Further analysis is provided below.

Profit from Operations of £3.4m was up 36% (2011 H1: £2.5m). Of the £0.9m improvement, £0.7m (78%) came from reduced losses in Professional Services (2012: £0.9m loss, 2011: £1.6m loss).

Interest costs remain relatively low at £0.3m (2011 H1: £0.2m).

Profit before tax of £3.2m was up 39% (2011 H1: £2.3m).

Overheads

The Group has invested in sales force headcount and shared service departments to help support the Group's diversification strategy. Overheads in each of the three half years to 31 January 2012 may be analysed as follows:

	2011 H1 £m	2011 H2 £m	2012 H1 £m
Staff and Sales & Marketing Costs	9.5	10.1	11.4
Establishment and Administration Expenses	1.1	1.3	1.4
Financial & Professional Costs	0.5	0.4	1.0
Total Overheads	11.1	11.8	13.8
Overheads as % of NFI	82%	73%	80%

Financial & Professional Costs in 2012 H1 have been impacted by one-off acquisition expenses £0.1m and fees relating to certain senior management incentive plans £0.1m together with an exchange loss of £0.1m on an inter-company loan from the UK to of Matchtech Germany.

Effective Rate of Tax

The effective rate of tax for the period was 29.5% (2011 H1: 28.7%), up slightly due to overseas tax losses and higher disallowable expenses.

Earnings per share

Basic earnings per share were 9.5p, up 38% (2011 H1: 6.9p).

Fully diluted earnings per share were 9.1p, up 34% (2011 H1: 6.8p).

Cash flow

Debtor days at the end of the period were 47 (31 January 2011: 47; 31 July 2011: 53), with no unimpaired debtors over 90 days overdue (31 January 2011: £nil; 31 July 2011: £0.3m).

Cash inflows from operations of £9.4m (2011 H1: £3.6m) representing cash conversion of 276% (2011 H1: 144%).

Capital expenditure for the period was £1.0m (2011 H1: £0.4m), including the acquisition of certain assets of XRS for £0.4m in January 2012.

Net Debt and Banking

The Group ended the period with net debt of £11.0m (31 January 2011: £4.8m; 31 July 2011: £16.0m), with the fall since 31 July 2011 due to a combination of reduced debtor days and the seasonal impact of lower billing in the Christmas / New Year period.

The Group has a committed Confidential Invoice Discounting ("CID") facility with Barclays Bank until 7 April 2013. The facility allows the Group to borrow up to 90% of its qualifying UK invoiced debtors capped at £35.0m, with a single debtor cap of 20% of total debtor book.

As at 31 January 2012 the Group's qualifying invoiced debtor book stood at £41.3m, with a further £12.3m of accrued invoices.

Interest is charged on borrowings at Barclays Bank Base Rate plus 2.25%.

Peak net debt in the period was £29.7m.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facility.

The Group has opened renewal negotiations with Barclays, but has, at this stage, not sought any written commitment that the facility will be renewed. However, during the discussions with its bankers about its future borrowing needs no matters have been drawn to the Group's attention to suggest that renewal may not be forthcoming on acceptable terms.

The Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the interim financial statements.

Dividend

The Board has today declared an unchanged interim dividend of 5.0 pence per share reflecting the strength and resilience of the core business and the Board's confidence in the future.

The Board has declared an interim dividend of 5.0p (2011: 5.0p) payable on 19 June 2012 to shareholders on the register at 1 June 2012.

Risk

The Group considers strategic, financial and operational risks and identifies actions to mitigate those risks. Key risks and their mitigation have not changed in the period from those disclosed on pages 32 and 33 of the Annual Report for the year ended 31 July 2011. The Board remains actively engaged in monitoring and seeking to mitigate these potential risks, in particular the impact of the continuing recessionary and liquidity issues in our major markets.

As previously disclosed, change in the economic environment is one of the principal key risks for the Group and the Board remains vigilant in this regard.

Outlook

Trading continues to progress solidly and, for the first two months of H2, has been in line with our expectations. The number of contractors on assignment continues to increase, having risen 8% in the first two months ofH2, and demand for permanent recruitment has increased in Q3 compared with the previous quarter.

We believe our core markets will remain strong due to:

- Strong global demand for our clients' products and services.
- Major UK infrastructure projects which we support provide us with long term visibility.
- Increasing trend of designing international infrastructure in the UK.

Our strategy of diversification is showing encouraging results, with our newer business areas - including our Professional Services activities under the Alderwood and Barclay Meade brands and our German operation - continuing to gain traction.

The Board currently anticipates that the results for the year to 31 July 2012 will be in line with its previous expectations, with profits, as usual, significantly weighted towards the second half.

The Board remains committed to its strategy and our robust business model, on-going sector diversification and developing international network all continue to give the Board confidence in the medium term prospects for the Group.

George Materna
Chairman

11 April 2012

Cautionary Statement

This interim financial information has been prepared for the shareholders of the Company, as a whole, and its sole purpose and use is to assist shareholders to exercise their governance rights. The Company and its directors and employees are not responsible for any other purpose or use or to any other person in relation to this announcement.

The report contains indications of likely future developments and other forward-looking statements that are subject to risk factors associated with, among other things, the economic and business circumstances occurring from time to time in the countries, sectors and business segments in which the Group operates. These and other factors could adversely affect the Group's results, strategy and prospects. Forward-looking statements involve risks, uncertainties and assumptions. They relate to events and/or depend on circumstances in the future which could cause actual results and outcomes to differ. No obligation is assumed to update any forward-looking statements, whether as a result of new information, future events or otherwise.

CONDENSED CONSOLIDATED INCOME STATEMENT
for the period ended 31 January 2012

	Note	**6 months to 31/01/12** *unaudited*	**6 months to 31/01/11** *unaudited*	**12 months to 31/07/11** *audited*
		£'000	**£'000**	**£'000**
CONTINUING OPERATIONS				
Revenue	2	**176,690**	141,062	301,806
Cost of Sales		**(159,483)**	(127,414)	(272,048)
GROSS PROFIT	2	**17,207**	13,648	29,758
Administrative expenses		**(13,768)**	(11,188)	(22,939)
PROFIT FROM OPERATIONS	2	**3,439**	2,460	6,819
Finance income		**12**	5	30
Finance cost		**(290)**	(190)	(461)
PROFIT BEFORE TAX		**3,161**	2,275	6,388
Income tax expense	3	**(932)**	(654)	(1,654)
PROFIT FOR THE PERIOD		**2,229**	1,621	4,734

All of the activities of the group are classed as continuing.

EARNINGS PER ORDINARY SHARE

		pence	**pence**	**pence**
Basic	5	**9.53**	6.94	20.26
Diluted	5	**9.09**	6.84	19.74

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the period ended 31 January 2012

	6 months to 31/01/12 *unaudited*	**6 months to 31/01/11** *unaudited*	**12 months to 31/07/11** *audited*
	£'000	**£'000**	**£'000**
PROFIT FOR THE PERIOD	**2,229**	1,621	4,734
OTHER COMPREHENSIVE INCOME			
Exchange differences on translating foreign operations	**22**	(12)	(28)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	**22**	(12)	(28)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**2,251**	1,609	4,706

CONDENSED CONSOLIDATED BALANCE SHEET
as at 31 January 2012

	Note	31/01/2012 *unaudited*	31/01/2011 *unaudited*	31/07/2011 *audited*
ASSETS		**£'000**	**£'000**	**£'000**
Non-current assets				
Property, plant and equipment		**1,658**	1,653	1,530
Intangible assets	6	**633**	126	106
Deferred tax assets		**192**	172	188
		2,483	1,951	1,824
Current Assets				
Trade and other receivables	7	**54,241**	39,811	56,452
Cash and cash equivalents		**925**	778	475
		55,166	40,589	56,927
TOTAL ASSETS		**57,649**	42,540	58,751
LIABILITIES				
Current liabilities				
Trade and other payables		**(19,811)**	(13,257)	(16,577)
Current tax liability		**(884)**	(697)	(690)
Bank loans and overdrafts		**(11,904)**	(5,607)	(16,430)
		(32,599)	(19,561)	(33,697)
TOTAL LIABILITIES		**(32,599)**	(19,561)	(33,697)
NET ASSETS		**25,050**	22,979	25,054
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				
Called-up equity share capital	8	**234**	233	234
Share premium account		**3,126**	3,125	3,126
Other reserves		**966**	811	993
Retained earnings		**20,724**	18,810	20,701
TOTAL EQUITY		**25,050**	22,979	25,054

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
for the period ended 31 January 2012

	6 months to 31/01/12 *unaudited*	6 months to 31/01/11 *unaudited*	12 months to 31/07/11 *audited*
	£'000	£'000	£'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit after taxation	**2,229**	1,621	4,734
Adjustments for:			
Depreciation and amortisation	**297**	258	516
Profit/(loss) on disposal of property, plant and equipment	**2**	(16)	8
Interest income	**(12)**	(5)	(30)
Interest expense	**290**	190	461
Taxation expense recognised in profit and loss	**932**	654	1,654
Decrease/(increase) in trade and other receivables	**2,211**	1,227	(15,414)
Increase/(decrease) in trade and other payables	**3,234**	(445)	2,875
Unrealised foreign exchange losses/(gains), net	**22**	(16)	(28)
Share based payment charge	**222**	140	288
Cash generated from/(used in) operations	**9,427**	3,608	(4,936)
Interest paid	**(290)**	(190)	(461)
Income taxes paid	**(741)**	(1,013)	(2,040)
NET CASH FROM OPERATING ACTIVITES	**8,396**	2,405	(7,437)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment	**(402)**	(331)	(484)
Purchase of intangibles	**(597)**	(43)	(45)
Proceeds from sale of plant and equipment	**45**	91	107
Interest received	**12**	5	30
NET CASH USED IN INVESTING ACTIVITIES	**(942)**	(278)	(392)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	**-**	28	29
Dividends paid	**(2,480)**	(2,476)	(3,646)
NET CASH USED IN FINANCING ACTIVITIES	**(2,480)**	(2,448)	(3,617)
Effects of exchange rates on cash and cash equivalents	**2**	3	2
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**4,976**	(318)	(11,444)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**(15,955)**	(4,511)	(4,511)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**(10,979)**	(4,829)	(15,955)
CASH AND CASH EQUIVALENTS			
Cash	**925**	778	475
Bank overdrafts	**(226)**	(266)	(172)
Working capital facility used	**(11,678)**	(5,341)	(16,258)
CASH AND CASH EQUIVALENTS IN CASH FLOW STATEMENT	**(10,979)**	(4,829)	(15,955)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the period ended 31 January 2012

	Translation of foreign operations	Share capital	Share premium	Other reserve	Share based payment reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2010	**18**	**233**	**3,098**	**224**	**466**	**19,633**	**23,672**
Profit for the period	-	-	-	-	-	1,621	1,621
Other comprehensive income	(12)	-	-	-	-	-	(12)
Total comprehensive income	(12)	-	-	-	-	1,621	1,609
Dividends in the period	-	-	-	-	-	(2,476)	(2,476)
Deferred tax movement re share options	-	-	-	-	-	7	7
IFRS 2 charge	-	-	-	-	140	-	140
IFRS 2 reserves transfer	-	-	-	-	(25)	25	-
Shares issued	-	-	27	-	-	-	27
Transactions with owners	-	-	27	-	115	(2,444)	(2,302)
Balance at 31 January 2011	**6**	**233**	**3,125**	**224**	**581**	**18,810**	**22,979**
Balance at 1 August 2010	**18**	**233**	**3,098**	**224**	**466**	**19,633**	**23,672**
Profit for the year	-	-	-	-	-	4,734	4,734
Other comprehensive income	(28)	-	-	-	-	-	(28)
Total comprehensive income	(28)	-	-	-	-	4,734	4,706
Dividends in the period	-	-	-	-	-	(3,646)	(3,646)
Deferred tax movement re share options	-	-	-	-	-	5	5
IFRS 2 charge	-	-	-	-	288	-	288
IFRS 2 reserves transfer	-	-	-	-	25	(25)	-
Shares issued	-	1	28	-	-	-	29
Transactions with owners	-	1	28	-	313	(3,666)	(3,324)
Balance at 31 July 2011	**(10)**	**234**	**3,126**	**224**	**779**	**20,701**	**25,054**
Balance at 1 August 2011	**(10)**	**234**	**3,126**	**224**	**779**	**20,701**	**25,054**
Profit for the year	-	-	-	-	-	2,229	2,229
Other comprehensive income	22	-	-	-	-	-	22
Total comprehensive income	22	-	-	-	-	2,229	2,251
Dividends in the period	-	-	-	-	-	(2,480)	(2,480)
Deferred tax movement re share options	-	-	-	-	-	3	3
IFRS 2 charge	-	-	-	-	222	-	222
IFRS 2 reserves transfer	-	-	-	-	(271)	271	-
Transactions with owners	-	-	-	-	(49)	(2,206)	(2,255)
Balance at 31 January 2012	**12**	**234**	**3,126**	**224**	**730**	**20,724**	**25,050**

NOTES
forming part of the financial statements

1 THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

i The business of the Group

Matchtech Group plc is a human capital resources business dealing with contract and permanent recruitment in the Private and Public sectors.

The Group's address is: Matchtech Group plc, 1450 Parkway, Whiteley, Fareham, PO15 7AF.

ii Basis of preparation of interim financial information

These interim condensed consolidated financial statements are for the six months ended 31 January 2012. They have been prepared in accordance with IAS 34 "Interim Financial Reporting". They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements for the year ended 31 July 2011. The comparative figures for the financial year ended 31 July 2011 are not the company's statutory accounts for that financial year. Those accounts have been reported on by the company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

These condensed consolidated interim financial statements ('the interim financial statements') have been prepared in accordance with the accounting policies set out below which are based on the recognition and measurement principles of IFRS in issue as adopted by the European Union (EU) and are effective at 31 July 2012 or are expected to be adopted and effective at 31 July 2012.

These financial statements have been prepared under the historical cost convention. The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these condensed interim financial statements. A summary of the principal accounting policies of the group are set out below.

iii Going concern

The directors have reviewed forecasts and budgets for the coming year, which have been drawn up with appropriate regard for the current macroeconomic environment and the particular circumstances in which the Group operates. These were prepared with reference to historic and current industry knowledge, taking future strategy of the Group into account.

The Group has a committed Confidential Invoice Discounting ("CID") facility with Barclays Bank until 7 April 2013. The facility allows the Group to borrow up to 90% of its qualifying UK invoiced debtors capped at £35.0m, with a single debtor cap of 20% of total debtor book.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facility.

The Group has opened renewal negotiations with Barclays, but has, at this stage, not sought any written commitment that the facility will be renewed. However, during the discussions with its bankers about its future borrowing needs no matters have been drawn to the Group's attention to suggest that renewal may not be forthcoming on acceptable terms.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.As with all business forecasts, the directors' statement cannot guarantee that the going concern basis will remain appropriate given the inherent uncertainty about future events.

iv **New standards and interpretations**

New standards and amendments to existing standards applicable for the period ending 31 January 2012 are:

- IAS 24 Related party disclosures
- IFRS 7 Financial Instruments: Disclosures

The adoption of the above standards has had no impact on the financial statements.

New standards in issue, not yet effective

Standard		Effective date (Annual periods beginning on or after)
IAS 12	Income Taxes	1 January 2012
IAS 1	Financial Statement Presentation	1 July 2012
IAS 19	Employee Benefits	1 January 2013
IAS 27	Separate Financial Statements	1 January 2013
IAS 28	Associates and Joint Ventures	1 January 2013
IFRS 9	Financial instruments	1 January 2013
IFRS 10	Consolidated Financial Statements	1 January 2013
IFRS 11	Joint Arrangements	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurements	1 January 2013
IFRS improvements	Various	Various

Based on the Group's current business model and accounting policies, the Directors do not expect material impacts on the figures in the Group's financial statements when the interpretations become effective.

The Group does not expect to apply any of these pronouncements early.

v **Basis of consolidation**

The Group Financial Statements consolidate those of the Company and all of its subsidiary undertakings drawn up to the balance sheet date. Subsidiaries are entities over which the Group has power to control the financial and operating policies so as to obtain benefits from its activities. The Group obtains and exercises control through voting rights.

Acquisitions of subsidiaries are dealt with by the purchase method. The purchase method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the Financial Statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated balance sheet at their fair values, which are also used as the bases for subsequent measurement in accordance with Group accounting policies.

Transactions between Group companies are eliminated on consolidation.

vi **Revenue**

Revenue is measured by reference to the fair value of consideration received or receivable by the Group for services provided, excluding VAT and trade discounts.
Revenue on temporary placements is recognised upon receipt of a client approved timesheet or equivalent.
Revenue from permanent placements, which is based on a percentage of the candidate's remuneration package, is recognised when candidates commence employment, at which point it is probable that the economic benefits associated with the transaction will be transferred.
Other fees are recognised on confirmation from the client committing to the agreement.

vii **Property, plant and equipment**

Property, plant and equipment is stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset in terms of annual depreciation as follows:

Motor vehicles	25.0%	Reducing balance
Computer equipment	25.0%	Straight line
Equipment	12.5%	Straight line

Residual value estimates are updated as required, but at least annually, whether or not the asset is revalued.

viii **Intangible assets**

Separately acquired software licences are included at cost and amortised on a straight-line basis over the useful economic life of that asset at 20%-33%.

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated.

Amortisation is recognised in the income statement under administrative expenses.

Provision is made against the carrying value of intangible assets where an impairment in value is deemed to have occurred.

xi **Disposal of assets**

The gain or loss arising on the disposal of an asset is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in the income statement.

x **Operating lease agreements**

Rentals applicable to operating leases are charged against profits on a straight line basis over the lease term. Lease incentives are spread over the term of the lease.

xi **Taxation**

Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Deferred tax on temporary differences associated with shares in subsidiaries is not provided if these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity (such as the revaluation of land) in which case the related deferred tax is also charged or credited directly to equity.

xii Pension costs

The Group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Group. The annual contributions payable are charged to the income statement as they accrue.

xiii Share based payment

The transitional arrangements of IFRS 1 have been applied to all grants of equity instruments after 7 November 2002 that were unvested at 1 August 2006. All share-based remuneration is ultimately recognised as an expense in the income statement with a corresponding credit to "share-based payment reserve". All goods and services received in exchange for the grant of any share-based remuneration are measured at their fair values. Fair values of employee services are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets).

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting. Upon exercise of share options, proceeds received net of attributable transaction costs are credited to share capital and share premium.

The Group operates a Share Incentive Plan (SIP) which is HMRC approved, and enables employees to purchase company shares out of pre-tax salary. For each share purchased the company grants an additional share at no cost to the employee. The expense in relation to these 'free' shares is recorded as employee remuneration and measured at fair value of the shares issued as at the date of grant.

xiv Business combinations completed prior to date of transition to IFRS

The Group has elected not to apply IFRS 3 Business Combinations retrospectively to business combinations prior to 1 August 2006.

Accordingly the classification of the combination (merger) remains unchanged from that used under UK GAAP. Assets and liabilities are recognised at date of transition if they would be recognised under IFRS, and are measured using their UK GAAP carrying amount immediately post-acquisition as deemed cost under IFRS, unless IFRS requires fair value measurement. Deferred tax is adjusted for the impact of any consequential adjustments after taking advantage of the transitional provisions.

xv Financial assets

All financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are recognised at fair value plus transaction costs.

In the Company financial statements, investment in the subsidiary company is measured at cost, and provision made where an impairment value is deemed to have occurred.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables are classified as loans and receivables. Loans and receivables are measured subsequent to initial recognition at amortised cost using effective interest method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognised in the income statement.

Provision against trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

A financial asset is derecognised only where the contractual rights to cash flows from the asset expire or the financial asset is transferred and that transfer qualifies for derecognition. A financial asset is transferred if the contractual rights to receive the cash flows of the asset have been transferred or the group retains the contractual rights to receive the cash flows of the asset but assumes a contractual obligation to pay the cash flows to one or more recipients. A financial asset that is transferred qualifies for derecognition if the group transfers substantially all the risks and rewards of ownership of the asset, or if the group neither retains nor transfers substantially all the risks and rewards of ownership but does transfer control of that asset.

Trade receivables subject to the invoice discounting facility are recognised in the balance sheet until they are settled by the customer.

xvi **Financial liabilities**

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument and comprise trade and other payables and bank loans. Financial liabilities are recorded initially at fair value, net of direct issue costs and are subsequently measured at amortised cost using the effective interest rate method.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

xvii **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, on demand deposits and bank overdrafts.

xviii **Dividends**

Dividend distributions payable to equity shareholders are included in "other short term financial liabilities" when the dividends are approved in general meeting prior to the balance sheet date.

xix **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the profit or loss in the period in which they arise.

The assets and liabilities in the financial statements of foreign subsidiaries are translated at the rate of exchange ruling at the balance sheet date. Income and expenses are translated at the actual rate. The exchange differences arising from the retranslation of the opening net investment in subsidiaries are taken directly to "Translation of foreign operations" in equity. On disposal of a foreign operation the cumulative translation differences are transferred to the income statement as part of the gain or loss on disposal.

As permitted by IFRS 1, the balance on the cumulative translation adjustment on retranslation of subsidiaries' net assets has been set to zero at the date of transition to IFRS.

xx **Equity**

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- "Share based payment reserve" represents equity-settled share-based employee remuneration until such share options are exercised.
- "Other reserve" represents the equity balance arising on the merger of Matchtech Engineering and Matchmaker Personnel.
- "Translation of foreign operations" represents the foreign currency differences arising on translating foreign operations into the presentational currency of the Group.
- "Retained earnings" represents retained profits.

xxi Significant Accounting Estimates and Judgements

Estimates and assumptions concerning the future and judgments are made in the preparation of financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical Judgements

The judgements made which, in the opinion of the Directors, are critical in drawing up the financial statements are as follows:

Invoice Discounting Facility

The terms of this arrangement are judged to be such that the risks and rewards of ownership of the trade receivables do not pass to the finance provider. As such the receivables are not derecognised on draw-down of funds against this facility. This facility is recognised as a liability for the amount drawn.

Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the Statement of Financial Position date are discussed below. These are included for completeness, although it is the Director's view that none of these have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated Useful Lives of Property, Plant and Equipment

The cost of equipment is depreciated on a straight line basis and the cost of motor vehicles is depreciated on a reducing balance basis over their useful lives. Management estimates the useful lives of property, plant and equipment to be within 2 and 8 years. These are common life expectancies applied in the industry in which the Group operates. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Impairment Loss of Trade and Other Receivables

The Group's policy for doubtful receivables is based on the on-going evaluation of the collectability and ageing analysis of the trade and other receivables and on management's judgements. Considerable judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of the Group's receivables were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment loss of trade and other receivables may be required. The carrying amounts of these assets are shown in Note 7.

2 SEGMENTAL INFORMATION

The chief operating decision maker, as defined in IFRS 8, has been identified as the Board of Directors of Matchtech Group plc. The information reported below for the current period is consistent with the reports regularly provided to the Board of Directors.

Reportable segments

6 months to 31 January 2012
unaudited

All amounts in £'000	Engineering	Built Environment	Information Systems & Technology	Science & Medical	**Total Matchtech UK**	Matchtech Germany	Professional Services	elemense	**Total**
Revenue	79,725	37,794	37,320	4,052	**158,891**	1,344	11,436	5,019	**176,690**
Gross profit	5,820	2,862	3,612	941	**13,235**	350	2,791	831	**17,207**
Profit/(loss) from Operations	2,607	1,065	1,137	(7)	**4,802**	(285)	(866)	(212)	**3,439**
Finance cost, net	(125)	(58)	(57)	(6)	**(246)**	(7)	(18)	(7)	**(278)**
Profit/(loss) before tax	**2,482**	**1,007**	**1,080**	**(13)**	**4,556**	**(292)**	**(884)**	**(219)**	**3,161**
Depreciation and amortisation	58	41	68	24	**191**	25	58	23	**297**
Segment net assets	21,030	8,552	8,433	933	**38,948**	175	975	1,150	**41,248**
Unallocated net liabilities									**(16,198)**
Total net assets									**25,050**

6 months to 31 January 2011
unaudited

All amounts in £'000	Engineering	Built Environment	Information Systems & Technology	Science & Medical	**Total Matchtech UK**	Matchtech Germany	Professional Services	elemense	**Total**
Revenue	64,562	30,889	26,492	2,986	**124,929**	581	9,121	6,431	**141,062**
Gross profit	4,736	2,428	2,835	843	**10,842**	197	1,757	852	**13,648**
Profit/(loss) from Operations	2,452	995	1,068	17	**4,532**	(120)	(1,659)	(293)	**2,460**
Finance cost, net	(84)	(38)	(33)	(3)	**(158)**	(5)	(10)	(12)	**(185)**
Profit/(loss) before tax	**2,368**	**957**	**1,035**	**14**	**4,374**	**(125)**	**(1,669)**	**(305)**	**2,275**
Depreciation and amortisation	56	45	49	24	**174**	3	56	25	**258**
Segment net assets	19,837	7,955	7,390	1,056	**36,238**	429	1,149	1,356	**39,172**
Unallocated net liabilities									**(16,193)**
Total net assets									**22,979**

Year to 31 July 2011
audited

All amounts in £'000	Engineering	Built Environment	Information Systems & Technology	Science & Medical	**Total Matchtech UK**	Matchtech Germany	Professional Services	elemense	**Total**
Revenue	138,865	65,429	57,191	6,982	**268,467**	1,740	19,430	12,169	**301,806**
Gross profit	10,183	5,254	6,037	1,897	**23,371**	625	4,281	1,481	**29,758**
Profit/(loss) from Operations	5,391	2,271	2,367	168	**10,197**	(32)	(2,764)	(582)	**6,819**
Finance cost, net	(166)	(80)	(70)	(11)	**(327)**	(28)	(45)	(31)	**(431)**
Profit/(loss) before tax	5,225	2,191	2,297	157	**9,870**	(613)	(60)	(2,809)	**6,388**
Depreciation and amortisation	113	87	97	49	**346**	8	111	51	**516**
Segment net assets	28,342	11,366	10,559	1,509	**51,776**	654	1,534	1,769	**55,733**
Unallocated net liabilities									**(30,679)**
Total net assets									**25,054**

Two operating segments, Barclay Meade Limited and Alderwood Education Limited, have been aggregated into the Professional Services segment above. Central overhead costs are allocated across all segments and are included in the analysis above.

A segmental analysis of total assets has not been included as this information is not available to the Board; trade receivables represent the majority of net assets and are included as segment net assets above. Other net assets are centrally held and are not allocated across the reportable segments. Unallocated net liabilities include non-current assets, other receivables, cash and cash equivalents and current liabilities.

Geographical information

	UK			**Matchtech Germany**			**Total**		
All amounts in £'000	**6 months to 31 Jan 12**	6 months to 31 Jan 11	12 months to 31 Jul 11	**6 months to 31 Jan 12**	6 months to 31 Jan 11	12 months to 31 Jul 11	**6 months to 31 Jan 12**	6 months to 31 Jan 11	12 months to 31 Jul 11
Revenue	**175,346**	140,481	300,066	**1,344**	581	1,740	**176,690**	141,062	301,806
Gross profit	**16,857**	13,451	29,133	**350**	197	625	**17,207**	13,648	29,758
Operating profit	**3,724**	2,580	6,851	**(285)**	(120)	(32)	**3,439**	2,460	6,819
Finance cost, net	**(271)**	(180)	(403)	**(7)**	(5)	(28)	**(278)**	(185)	(431)
Profit/(loss) before tax	**3,453**	2,400	6,448	**(292)**	(125)	(60)	**3,161**	2,275	6,388
Depreciation and amortisation	**272**	255	508	**25**	3	8	**297**	258	516
Non-current assets	**2,445**	1,940	1,815	**38**	11	9	**2,483**	1,951	1,824
Net current assets	**23,331**	20,573	23,654	**(764)**	455	(424)	**22,567**	21,028	23,230
Total net assets	**25,776**	22,513	25,469	**(726)**	466	415	**25,050**	22,979	25,054

Revenue and non-current assets are allocated to the geographic market based on the domicile of the respective subsidiary. The Directors are of the opinion that the Group does not generate material cross-border revenues.

Largest customers

During the period ending 31 January 2012 revenues of £21,007,000 (31 January 2011: £17,063,000, year to 31 July 2011 £35,598,000) were generated from sales to the Group's largest client and its business process outsourcer. The majority of this revenue is included within the Engineering segment.

No other single client contributed more than 10% of the Group's revenues.

Seasonality

With the first half of the financial year including holiday seasons in August and at the Christmas and New Year period when recruitment activity is quieter than normal, the second half of the year traditionally produces stronger results.

Turnover in the 6 months to 31 January 2011 represented 47% of the annual total to 31 July 2011.

3 INCOME TAX EXPENSE

Analysis of charge in the period

	6 months to 31/01/12 ***unaudited*** **£'000**	**6 months to 31/01/11** ***unaudited*** **£'000**	**12 months to 31/07/11** ***audited*** **£'000**
Total income tax expense	**932**	654	1,654

The total tax charge is higher than the standard rate of corporation tax. The differences are detailed below:

Profit before tax	**3,161**	2,275	6,388
Corporation Tax at average rate for the period 25.7% (31/01/11: 27.67%, 31/07/11: 27.3%)	**812**	629	1,744
Expenses not deductible/(chargeable) for tax purposes	**80**	(3)	29
Temporary differences	**9**	-	(113)
Enhanced R&D tax relief	**(22)**	(25)	(49)
Overseas losses carried forward	**53**	33	13
Change in deferred tax on share options	**-**	-	11
Adjustments to tax charge in respect of previous periods	**-**	20	19
Total UK tax charge	**932**	**654**	**1,654**

4 DIVIDENDS

Dividends on shares classed as equity:	**6 months to 31/01/12** ***unaudited*** **£'000**	**6 months to 31/01/11** ***unaudited*** **£'000**	**12 months to 31/07/11** ***audited*** **£'000**
Paid during the period			
Equity dividends on ordinary shares	**2,480**	2,476	3,646

5 EARNINGS PER SHARE

Earnings per share has been calculated by dividing the consolidated profit after taxation attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share has been calculated, on the same basis as above, except that the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares (arising from the Group's share option schemes) into ordinary shares has been added to the denominator. There are no changes to the profit (numerator) as a result of the dilutive calculation.

The earnings per share information has been calculated as follows:

	6 months to 31/01/12 *unaudited*	**6 months to 31/01/11** *unaudited*	**12 months to 31/07/11** *audited*
Profits	**£'000**	**£'000**	**£'000**
Profit for the period	**2,229**	1,621	4,734
Number of Shares	**000's**	**000's**	**000's**
Weighted average number of ordinary shares in issue	**23,395**	23,362	23,370
Effect of dilutive potential ordinary shares under option	**1,115**	336	612
	24,510	23,698	23,982
Earnings per Share	**pence**	**pence**	**pence**
Earnings per ordinary share from continuing operations			
- Basic	**9.53**	6.94	20.26
- Diluted	**9.09**	6.84	19.74

6 INTANGIBLE ASSETS

The Group acquired certain business assets of Xchanging Resources Services Limited, the contingency recruitment arm of Xchanging plc in January 2012 for a total cash consideration of £0.4m.

The acquisition has been included within Intangible Assets at fair value. Amortisation will be recognised in the Income Statement over the assets' useful life which has been measured at 2 years.

7 TRADE AND OTHER RECEIVABLES

	31/01/2012 *unaudited*	**31/01/2011** *unaudited*	**31/07/2011** *audited*
	£'000	**£'000**	**£'000**
Trade receivables	**53,300**	39,172	55,733
Other receivables	**152**	179	57
Prepayments	**789**	460	662
	54,241	39,811	56,452

Included in the Group's trade receivable balance are debtors with a carrying amount of £5,943,000 (31 January 2011: £4,143,000, 31 July 2011: £7,561,000) which are past due at the reporting date for which the Group has not provided as the Directors do not believe there has been a significant change in credit quality and consider the amounts to be recoverable in full. The Group does not hold any collateral over these balances.

The Directors consider all trade receivables not past due to be fully recoverable.

Ageing of past due but not impaired trade receivables:

	31/01/2012 *unaudited* £'000	31/01/2011 *unaudited* £'000	31/07/2011 *audited* £'000
0-30 days	**4,960**	3,035	5,977
30-60 days	**699**	972	925
60-90 days	**284**	136	345
90+ days	**-**	-	314
	5,943	4,143	7,561

8 SHARE CAPITAL

Authorised share capital	31/01/2012 *unaudited* £'000	31/01/2011 *unaudited* £'000	31/07/2011 *audited* £'000
40,000,000 Ordinary shares of £0.01 each	**400**	400	400

Allotted, called up and fully paid	31/01/2012 *unaudited* £'000	31/01/2011 *unaudited* £'000	31/07/2011 *audited* £'000
Ordinary shares of £0.01 each	**234**	233	234

The Company has issued shares, listed below, following the exercise of share options under the Company's share option schemes:

	Ordinary shares of £0.01 issued	**Share premium received** pence per share	**Consideration received** £
6 months to 31/01/11			
04/08/2010	18,349	145	26,790
01/09/2010	648	nil	6
04/10/2010	2,460	nil	25
03/11/2010	2,055	nil	21
01/12/2010	1,839	nil	18
11/01/2011	991	145	1,447
20/01/2011	1,959	nil	20

6 months to 31/07/11			
02/03/2011	4,928	nil	49
09/03/2011	2,076	nil	21
30/03/2011	1,765	69	1,236
30/03/2011	143	88	127
05/04/2011	3,045	nil	30
05/05/2011	1,843	nil	18
01/06/2011	3,077	nil	31
01/07/2011	2,203	nil	22
6 months to 31/01/12			
10/08/2011	1,952	nil	20
04/09/2011	3,103	nil	31
03/10/2011	2,903	nil	29
03/11/2011	2,021	nil	20
05/12/2011	2,009	nil	20
10/01/2012	2,110	nil	21

Statement of Directors' Responsibilities

The directors confirm that this condensed consolidated half year financial information has been prepared in accordance with IAS 34, as adopted by the European Union.