WYG plc

ANNUAL REPORT
& ACCOUNTS 2012

creative minds safe hands

‘

The first year of the ‘new WYG’ has been a year of tremendous change and I am pleased to report that we have delivered a financial performance consistent with the management’s expectations at the time of the placing in July 2011

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MIKE MCTIGHE,
CHAIRMAN

Picture on on front cover of Queen Elizabeth School © Michael Woodland

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FINANCIAL
OVERVIEW

Revenue at

£139.9m

(nine months to 31 March 2011: £121.5m)

Net Revenue at

£123.4m

(nine months to 31 March 2011: £106.7m)

EBITDA loss of

£1.5m

(nine months to 31 March 2011: £2.2m profit)

Operating loss* of

£3.5m

(nine months to 31 March 2011: profit of £0.1m)

Adjusted loss* per share of

7.4p

(nine months to 31 March 2011: 5.9p loss)

Net cash as at 31 March 2012

£23.0m

(2011: net debt of £29.2m)

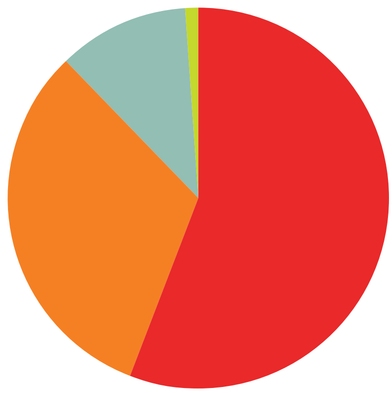
Orderbook as at 31 March 2012

£153.6m

(31 March 2011: £177.6m)

*Before separately disclosed items

GROUP REVENUE BY AREA



PUBLIC VS. PRIVATE SECTOR

Key Points

- Capital restructuring created a 'new WYG' with a strong balance sheet and significant net cash balances
- Considerable improvement in the Group's profitability in H2 compared with H1
- Reduced overhead and legacy costs ahead of market expectations
- Delivering against strategy to create growth and partner to leverage Group-wide expertise - Successfully won international orders in Western Balkans, Eastern Europe and the Middle East/North Africa
- Seven industry awards won including British Expertise International Awards Winner for Consultancy Project of the Year 2011
- Strengthened management structure, including a number of key appointments

Current trading & outlook:

- Trading since the year end has continued in line with expectations
- Continued delivery of 'self help' measures to drive Group's recovery in the near term
- A more stable trading environment in the UK, with improvements in certain UK public and private spending activity
- Good international prospects as WYG exploits opportunities through globally integrated sector focus and partnerships
- Orderbook as at 31 March 2012 £153.6m (31 March 2011: £177.6m)

CHAIRMAN'S LETTER

‘

The considerable improvement in the Group's performance in the second half of the financial year... reflects the continuing benefits of the Board's strategy and leaves the Group on track to return to operating profit in the near term.

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MIKE MCTIGHE
CHAIRMAN

The first year of the 'new WYG' has been a year of tremendous change and I am pleased to report that we have delivered a financial performance consistent with the management's expectations at the time of the placing in July 2011. The considerable improvement in the Group's performance in the second half of the financial year compared with the first half reflects the continuing benefits of the Board's strategy and leaves the Group on track to return to operating profit in the near term.

Crucially, we completed a major capital restructuring on 15 July 2011 which included a placing to raise approximately £30.0m net of expenses, the conversion of approximately £51.0m of the Group's net debt (excluding certain restricted cash balances) into convertible shares and the redesignation of the Group's preference shares. This created a 'new WYG' with a strong, debt-free balance sheet and significant net cash balances. This leaves us well positioned to take advantage of the opportunities presented by our clear global strategy and tightly focussed market offering and to continue to realise the benefits of previously identified cost reductions.

Group net revenue for the year was £123.4m (nine months to 31 March 2011: £106.7m) and the operating loss before separately disclosed items was £3.5m (nine months to 31 March 2011: £0.1m profit). However, the full year performance masks the considerable improvement in the Group's profitability as it moved through the year, with an operating loss before separately disclosed items of £1.0m in the second half representing a 65% reduction in losses compared to the £2.5m operating loss in the first half. This improvement reflects the realisation of the benefits of cost saving initiatives on a stabilised revenue base. Overall, international revenue continues to grow, constituting 44% of total revenue (nine months to 31 March 2011: 36%) and cash generation at the operating level is improving.

With a significantly improved balance sheet, a stable business, a strengthened and incentivised management team and a well defined strategy, our aim is now to restore the Group to profit and growth. The Group's recovery thus far has been achieved primarily by delivering on a programme of 'self help' measures. Our rigorous focus on overhead and legacy costs has ensured that they continue to reduce ahead of market expectations.

Strategy

With a robust financial platform in place, we recently revisited the Group strategy that was put in place in 2009. This review resulted in the development of our new Global Integrated Strategy. This strategy is described in more detail on pages 9 to 14.

Briefly, it focusses on:

- Enhancing our competitive client offering - delivering the best possible service and optimum value to our clients. We are keeping abreast of the latest technologies and techniques and are continually growing our expertise and experience. Over the past two years we have made considerable progress in streamlining our operations so as to maximise our competitive offering to the market. By engaging with clients at an early stage of their projects we are able to deliver added value over the lifetime of the project.
- Creating growth - directing our resources to attractive market sectors

and geographies where we have or can achieve leading positions. We have defined the seven core market sectors we serve. They are: Defence & Justice, Energy & Waste, Environment (including water and waste water), Transport, Mining, Metals & Minerals, Urban & Commercial Development, and Social Development & Infrastructure. We have created sector-focused teams and plans so that we are better placed to export our strong domestic services into niche demand areas overseas.

- Delivering global projects through greater internal and external collaboration - ensuring we make best use of our Group-wide resources by effectively combining our Group-wide sector and technical expertise with local experience to address the growth opportunities across our geographical footprint. This approach is to be complemented by establishing and developing strategic partnerships and collaborations with third parties enabling us to deliver enhanced local services to our global clients.

Dividend

We continue to believe that, for the time being, any cash generated by the Group should be used to take advantage of the opportunities that exist to grow in WYG's chosen markets and to attract and retain talented employees. Although we do intend to resume dividend payments when possible and appropriate, we do not expect to pay a dividend in the foreseeable future. Accordingly no dividend is proposed (nine months to 31 March 2011: nil).

Board

As we announced on 2 December 2011, Sean Cummins took over as Group Finance Director from David Wilton who resigned from the Board on 17 November 2011.

Sean was Group Finance Director of Scott Wilson plc, the global design and engineering consultancy, from 2007 until its acquisition by URS Corporation in September 2010. He had previously spent seven years as Finance Director of Yule Catto & Co plc, the international chemicals group. The Board is extremely grateful to David, who joined WYG as Group Finance Director in February 2009, for the central role he played over a very challenging two and a half year period, culminating in July's successful capital restructuring.

Current trading and outlook

The Group's trading performance since the year end continues in line with expectations. Whilst low levels of confidence in the UK economy mean that trading conditions remain challenging, we are experiencing a more stable environment and are encouraged by signs of improving levels of activity in specific areas of UK public and private spending where WYG has a strong historical position.

Furthermore, we continue to win international orders which fulfil our contract selection criteria and, having worked on phases one and two since 2008, we are delighted to have won a two year extension to the second phase of the EC funded €72m Infrastructure Projects Facility ('IPF'), to restore and upgrade transport, environment and energy infrastructure across the Western Balkans, the full development value of which is in excess of €10bn. With this and other recent project wins in Eastern Europe and the Middle East & North Africa, we continue to believe that WYG's international prospects remain positive.

We have made excellent progress on the 'self help' measures identified last year and we expect this outperformance to continue throughout the current year. This, combined with our refreshed growth strategy, will maintain the momentum observed in our recent financial performance.

Based on this outlook, the Board is confident of returning the Group to positive operating profit in the near term.

MIKE MCTIGHE
CHAIRMAN
7 JUNE 2012

WYG AT
A GLANCE

Our 7 global sectors are:

Defence & Justice

Energy & Waste

Urban & Commercial Development

Environment

Transport

Mining, Metals & Minerals

Social Development & Infrastructure

WYG. Making Projects Possible

For over 50 years we have transformed our clients' visions into reality providing the experience, expertise and innovative thinking that makes their projects possible.

We work with project teams in selected international markets giving expert advice, guidance and project management to help change, shape and develop the world's landscapes, societies and economies for the better.

Whether it's advising on planning and transport issues, providing engineering or environmental services, advising on waste and resource management, providing project management and due diligence advice, or supporting economic and social reform, we balance our clients' commercial objectives with the need to develop and perform more sustainably.

We do all this with one goal in mind: to make a positive difference.

Our Ambition

Our corporate ambition is to achieve managed and sustainable growth. We have developed our three part, Global Integrated Strategy to deliver this ambition:

1. **Enhance Our Competitive Client Offering**
2. **A Focus on Growth**
3. **A Global Group**

WYG GLOBAL
INTEGRATED STRATEGY

1
Enhance Our Competitive Client Offering

2
Creating Growth

3
A Global Group

1) ENHANCE OUR COMPETITIVE CLIENT OFFERING

Enhancing our client offering is the prime focus for WYG. We strive to deliver the best possible service and optimum value to our global clients through:

Delivering Technical Excellence
Together with our clients and strategic partners, we deliver some of the world's most technically challenging projects. We keep abreast of the latest technologies and techniques and are continually growing our expertise and experience. We use this ever-growing knowledge base to focus on delivering quality work, helping us to build strong and lasting relationships with our clients and win repeat business.

Increasing our Competitiveness
Much of our focus over the last two years has been to streamline our operations to maximise our competitive offering to the market. Now the work has been substantially completed, we are well placed to take advantage of the growth opportunities that exist. We continue to monitor and measure our cost base to ensure our clients benefit from receiving the best possible value for our services.

Optimising Value
When clients engage us early in the project lifecycle, we are able to generate optimum value. By working with our clients from the outset we can maximise a project's potential and ensure decisions are made which will deliver their strategic ambitions. The services we offer our clients span the full project lifecycle so we are able to deliver value for money for clients who we work with throughout their project. Our strategic partnerships ensure we can deliver projects of varying scale and size, using local partners to deliver local solutions regardless of the size of the project.

Together, these measures create a fitter, more competitive WYG which ensures we create optimal value for our clients.

2) CREATING GROWTH

We have selected seven core global sectors where we have demonstrable experience and expertise. By defining the core sectors we focus on, we are better placed to export strong domestic services into niche demand areas across the globe. We do this through establishing and developing strategic partnerships and collaborations which deliver local services for global clients.

Our seven global sectors are:
- Defence and Justice
- Energy and Waste
- Urban and Commercial Development
- Environment (including waste and waste water)
- Transport
- Mining, Metals and Minerals
- Social Development and Infrastructure

Defence and Justice
We have a strong, historical relationship with the Ministry of Defence (MoD) and the Ministry of Justice (MoJ) and provide a wealth of services to support their respective estates. Following the creation of the Defence Infrastructure Organisation

(DIO) a significant number of new opportunities have presented themselves. We are also focussed on expanding and building upon our relationships and experience with 'blue light' services (ie the police, ambulance and fire service) whilst international opportunities continue to grow for us in conflict and post conflict regions.

Energy and Waste

We look to use the expertise and experience we have built in the nuclear, renewable energy and energy from waste sectors as a platform to expand our client base both in the UK and internationally. With increased pressure to reduce landfill and for organisations to reduce their reliance on fossil fuels and cut carbon emissions, interest and investment continues to increase in energy from waste, nuclear and renewable energies.

Urban and Commercial Development

With the continuing rise of the global population showing no signs of slowing down and urbanisation continuing to grow across the globe, solutions are needed to address this expansion. The services required to enable and deliver these solutions, including urban masterplanning, transport and environmental services, are central to what we do. Our client base continues to grow in this area and we are continually building on the strong pipeline of business opportunities we have across the Middle East and North Africa, Africa and Asia.

Environment (including waste and waste water)

Interest and concern for environmental matters continues to gain importance across the globe. Presently, international funding is focussed on water and waste water initiatives. The services required for such projects are one of our core strengths and we are achieving success in winning contracts for several of these projects. Within the European Commission (EC) we are currently number one in the water sector and we continue to grow our portfolio across Turkey and North Africa.

Transport

Our international work in the transport sector continues to go from strength to strength as governments invest in transport infrastructure to help drive and support economic growth, particularly in Central and Eastern Europe, the Middle East and North Africa. Within the UK we continue to navigate the ever changing infrastructure regime with opportunities in the sector expanding, particularly through private sector development.

Mining, Metals and Minerals

In Russia and the Commonwealth of Independent States (CIS), we are currently in a market leading joint venture in the mining sector. Using expertise and experience gained from over 65 years operating in this region, we continue to review the opportunities in this sector in Africa, the Middle East and Asia.

Social Development and Infrastructure

We have a strong portfolio of experience in many social development projects including working on some of the UK's largest hospitals and schools. Internationally we are currently the number one provider to EuropeAid and continue to build upon the expertise and experience gained with a number of pipeline opportunities in the developing world with the UK's Department for International Development (DFID).

3) A GLOBAL GROUP

By combining our international expertise and experience with local knowledge and presence, we look to leverage our geographical footprint and Group-wide talent in selected markets to deliver the most promising growth opportunities.

Our geographical focus is based on building on our core areas of strength and exploiting potential for growth. This is captured in our regional strategy which encompasses:

- **UK & Ireland**
- **Eastern Europe (including the Commonwealth of Independent States and the Balkans)**
- **Middle East and North Africa (including Turkey)**
- **Rest of the World**

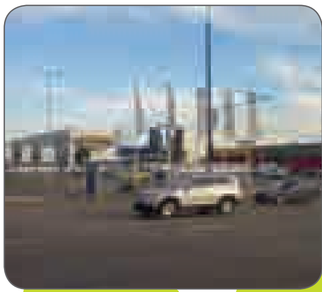
A GLOBAL GROUP

UK & Ireland

Eastern Europe
(including the Commonwealth of Independent States and the Balkans)

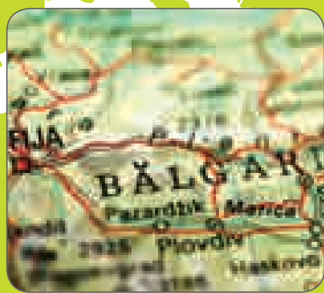
Middle East and North Africa (including Turkey)

Rest of the World



> Road designs provide investment opportunities to Poland

> Manchester Metropolitan University - creating a highly sustainable landmark building



> Bulgaria's sixth largest city receives support

> Strengthening Turkey's EU positioning

> Reducing poverty in Bangladesh

> Strengthening trade relations between South Africa and the European Union

BUSINESS
REVIEW

WYG 4 REGIONS

UK & Ireland

Eastern Europe
(which includes CIS & Western Balkans)

MENA
(including Turkey)

Rest of the World
(focussed on the international donor-funded market)

The March year-end brought our two year programme of major Group restructuring to a close and our focus now turns towards maximizing 'self help' opportunities and creating a platform from which to restore the business to sustainable growth.

During the past year we have worked hard to deliver on the commitments made to our new shareholders in July 2011 by delivering on an aggressive programme of 'self help' measures whilst maintaining a rigorous focus on legacy costs - those relating to historical issues arising from the poor professional indemnity insurance performance and the sub-optimal property portfolio from which WYG has operated in the UK and Ireland. I am pleased to report that on this first element of our strategy - to enhance our competitive client offering - our progress in reducing these costs is running ahead of expectations. We have also made further progress in reducing our underlying cost base to enhance our future competitiveness.

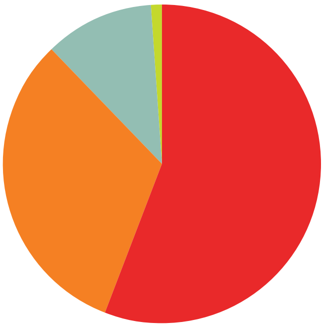
During the second half of the year we also took significant steps towards the fulfilment of the other two elements of our strategy - creating growth and a more internationally focussed and integrated group - by initiating a programme to form a small number of strategic partnerships and collaborations with key business partners, primarily in our overseas markets. We expect to see tangible results from this initiative over the next 12 months that will underpin the Group's return to growth.

For the third year running, trading conditions in our domestic markets remained challenging. Generally low levels of confidence in the UK economy have had a depressing effect on the construction sector as a whole. For WYG, however, our focus on key sectors where historically we have a strong or market leading position ensured that we have been successful in securing new frameworks and call off contracts. These have featured our front-end offerings of planning, transport and project management services in the Defence & Justice and Urban & Commercial Development sectors where we continue to strengthen our long standing and valued relationships with the MoD, the MoJ, Sainsburys and other key clients. Also, the Government's commitment to additional infrastructure investment set out in its Autumn Statement meant that work on some major projects, including the A453, have already restarted. Across the UK, our Planning & Design teams continue to experience good levels of activity.

The Group's historical over-reliance on the use of bonds in support of certain international markets has, in the past, consumed a disproportionate amount of our debt capacity. Therefore, we have placed much focus during the year on reviewing our approach to these markets, reducing our use of bonds through project selection, consortium partnering and diversification from a narrow focus on EU donor funded work, for which we are the market leader. The measure of our success is that we have increased our international pipeline, whilst issuing a substantially reduced value of bonds. A positive consequence of this new approach is an improvement in our working capital dynamic.

Although we have seen revenues increase in the MENA region, elsewhere in our international operations, revenues have reflected our decision not to pursue opportunities with onerous working capital requirements. There has been no noticeable reduction in the availability of funding for strategic infrastructure programmes

GROUP REVENUE BY AREA

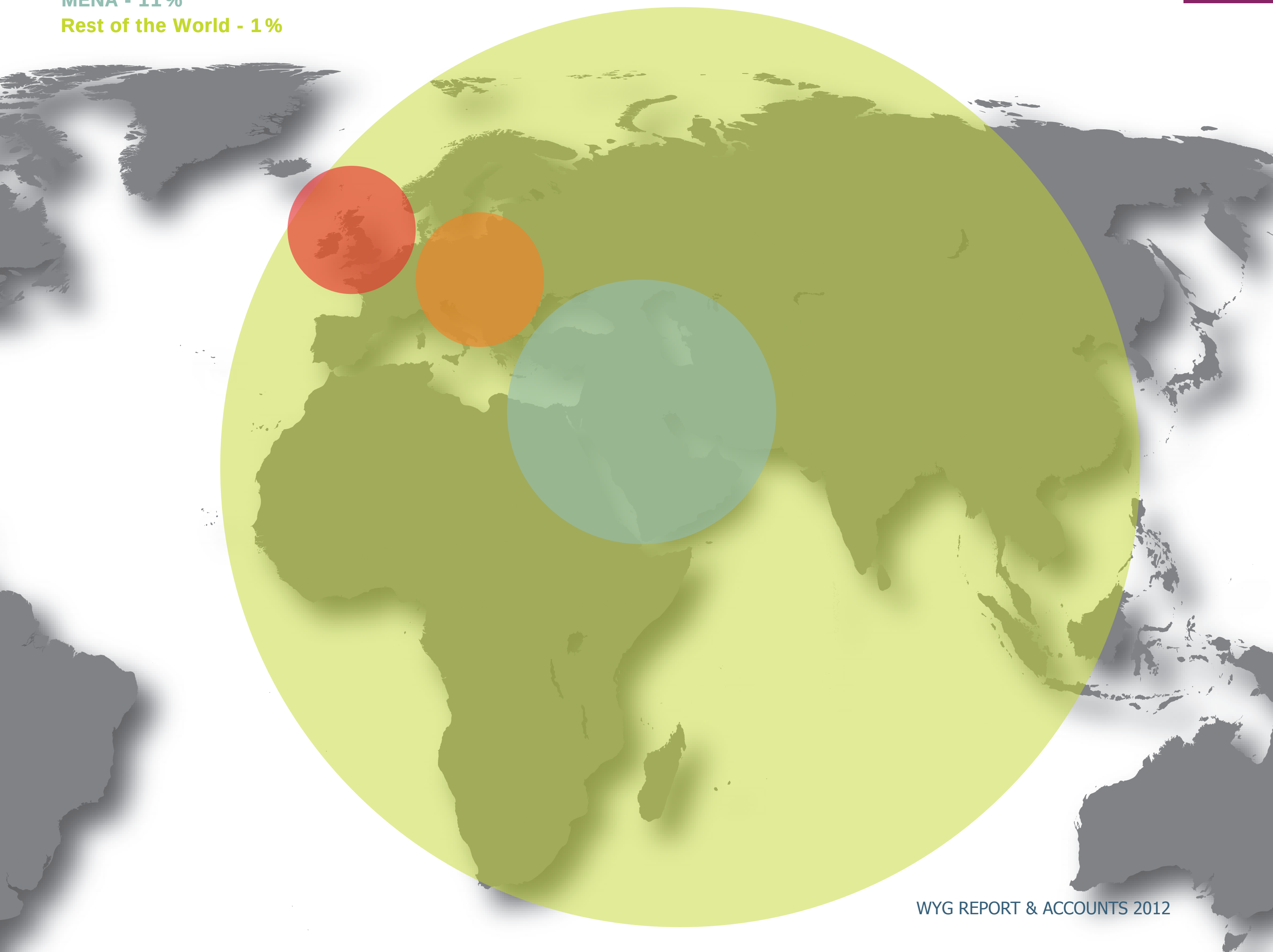


UK & Ireland - 56%
Eastern Europe - 32%
MENA - 11%
Rest of the World - 1%

and we continue to deliver major projects around the world. As our presence in international regions continues to grow, we will seek to leverage our position to extend the delivery of our core services into these new markets providing that any new opportunities meet our project selection criteria.

Operationally, the Group is structured, and reports, on a regional basis with the four regions being:

- **UK & Ireland**
- **Eastern Europe (which includes CIS and Western Balkans)**
- **MENA (Middle East & North Africa including Turkey)**
- **Rest of the World - focussed on the international donor-funded market**



UK & IRELAND
(56% of Group revenue)

The UK & Ireland region generated revenue of £78.9m (nine months to 31 March 2011: £77.9m) with an operating loss before separately disclosed items of £4.7m (nine months to 31 March 2011: £1.5m).

In the UK public sector the Coalition Government's preferred method of procurement is through large, often national, frameworks. In our key sector of Defence & Justice we were successful in being appointed to multi-disciplinary frameworks for a number of government departments and agencies including: the Foreign and Commonwealth Office, the Government Procurement Service and the Ministry of Justice. We have also expanded our services to the Defence Infrastructure Organisation and are now providing professional and technical support to the Operations South area as well as Operations North. Projects include the Base Optimisation Programme to support the re-basing of Army units and their families from Germany. In addition, we recently started design work on the £100m integrated training and learning college for Police, Fire and Prison Services located in Desertcreat, Cookstown, Northern Ireland.

In the Urban & Commercial Development sector our Planning & Design team has consolidated its position as one of the UK's largest and most successful consultancies with the retail and residential markets performing particularly strongly. Amongst a number of high profile planning applications submitted during the year, our role in supporting Peel Holdings with their Liverpool Waters project stands out. This planning application, at c.£5.5bn, is one of the largest privately funded schemes ever submitted in the UK. The Group provided a range of services including town planning, project management, stakeholder consultation and a full range of environmental disciplines. Further into the project lifecycle, our Buildings & Infrastructure team has been working on a number of high profile projects, notably with Wilson Bowden Developments on the design of the £125m Marketplace Barnsley scheme.

We have seen opportunities emerging from the private sector as both planning and design workloads remained stable and our client base increased in the Transport sector. There has been an immediate impact in terms of opportunities and workload in highways as a direct consequence of the Fiscal Stimulus package announced by the Government in November 2011. Of particular significance is the re-emergence of the £160m A453 widening project in the Midlands. The road is currently regarded as a congestion and accident blackspot. We are providing design services to Laing O'Rourke on this Highways Agency project which has been procured through the Early Contractor Involvement route.

In the Energy & Waste and Environment market sectors we have maintained our long standing relationships with key clients including Sellafield Limited and Northern Ireland Water. One noteworthy success is our appointment to a major framework contract at Sellafield to provide specialist inspections, surveys and associated services.

GROUP REVENUE BY AREA

UK & Ireland - 56%

UK & IRELAND CASE STUDY

Reenergising Barnsley's marketplace

Working on the £125m Marketplace Barnsley scheme our engineering specialists are helping Wilson Bowden Developments to create a flagship development and kick-start Barnsley's economy.

We are advising on key civil, structural and environmental aspects on the project which will create a new retail core for the town and includes a Debenhams' store, a seven screen cinema, 35 retail and leisure units as well as car parking for shoppers.

EASTERN EUROPE
(32 % of Group revenue)

Our operations in Eastern Europe (which includes CIS and operates from a network of offices in Poland, Romania, Bulgaria and Russia) achieved revenue of £43.8m (nine months to 31 March 2011: £33.2m) with an operating profit before separately disclosed items of £1.5m (nine months to 31 March 2011: £1.4m).

Throughout the year WYG operated in this region through its network of offices in Poland, Romania, Bulgaria and Russia.

WYG in Poland maintained its position as one of the country's leading consultancies and training organisations in the Social Development & Infrastructure sector. During the year we signed more than 250 new contracts, covering projects in such diverse fields as reducing unemployment, improving the competitiveness of enterprises, upgrading the quality of services provided by public sector institutions, caring for the environment, and creating greater territorial cohesiveness throughout the country through quality transport solutions.

Thousands of trainees increased their skills by participating in WYG-run and organised programmes, including the 'Construction Academy' initiative, a series of regional contracts targeting management and employees in the construction industry. We also provided research data and advice to the Polish government and regional authorities on ways to improve the efficiency and effectiveness of publicly financed development programmes. In the Transport sector, as the national highways development programme went through its peak construction phase, we finalised a number of highway design projects.

In Romania we also continue to provide services in the Transport sector and have won new work in the Waste sector. In Bulgaria we implemented an important sustainable urban transport sector project in Stara Zagora and successfully entered the market for the delivery of research and evaluation services to the national authorities.

Our flagship project in the Western Balkans is the EC funded Infrastructure Projects Facility, restoring and upgrading transport, environment and energy infrastructure across the Western Balkans, the full development value of which is in excess of €10bn. In October 2011, we received a €15m extension to the second phase of the project (IPF2). Among other projects in the region, we have also been working in Serbia on a €1.9m public financial management strengthening programme for the Ministry of Finance.

In the CIS we provide consultancy services in the Mining, Metals & Minerals sector through a collaborative joint venture. We also provide certain engineering services and socio-economic investment appraisal services. The joint venture has performed well in delivering front-end mining consultancy services and there has been a strong demand for its JORC (Joint Ore Reserves Committee) compliance assessments in connection with IFRS compliance and Initial Public Offerings.

GROUP REVENUE BY AREA

Eastern Europe - 32 %

EASTERN EUROPE CASE STUDY
Vital role in securing Poland's transport funding

In Central and Eastern Europe we continue to support transport improvement projects in Poland and have helped secure EU financing for two projects totalling €69m.

Thanks to our transport studies and feasibility analyses PKP Fast Urban Railway Ltd can modernise 30km of railway infrastructure. Construction can also begin of 1.5km of railway in Tricity catering for two million more passengers, helping to attract more investment and improving economic growth in the area.

In the north east of Poland, the City of Bialystok can now improve its public transport in the city and help reduce the amount of traffic on the road, enhance road traffic safety and shorten travel time.

Securing funding for these projects was crucial to enable the economies of these areas to develop and attract further vital investment.

MENA
(11 % of Group revenue)

In the MENA region we generated revenue of £15.3m (nine months to 31 March 2011: £8.7m) with an operating profit before separately disclosed items of £0.1m (nine months to 31 March 2011: £0.1m).

During the year we transferred responsibility for the development of our regional operations in the Middle East and North Africa to the well-established leadership team that has been operating successfully out of Turkey since the 1990s and within the WYG Group since 1997.

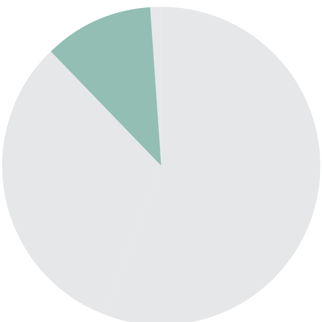
Our successful Turkish operations have seen significant growth over the past five years and the MENA region will benefit from the support of the existing office and expertise available in Ankara. Our expansion will build on the current operation in Abu Dhabi, with new offices scheduled to open in Dubai, Doha and Istanbul.

During the year our two main projects outside Turkey were the Wadi Al Asla Project in Saudi Arabia, where we have been working on masterplanning for a new city to be built 25km east of Jeddah with housing and infrastructure (including a hospital, a university, shopping malls, theme parks and stadiums) to support a population of 170,000, and the District Cooling Plant and distribution network for the Abu Dhabi's new Central Business District. This is one of the largest cooling plants in the UAE and it will also supply many of the other future occupants of Al Maryah Island - a 114 hectare mixed-use residential, retail, leisure, hotel and commercial development in the heart of Abu Dhabi.

In our primary sector, Social Development & Infrastructure, we have maintained our market leading position in the delivery of EuropeAid contracts and have won several major new framework contracts, both in Turkey and further afield, for projects ranging from cultural and regional development programmes to large scale education schemes.

In the Environment sector, we have been awarded two major projects to deliver our first waste water treatment plants in Siverek and Ordu and initiated a programme to assist the Turkish authorities to meet the required standards expected under the European 6 directives whilst improving the living conditions of the local population. We expect to win a lot more work in this rapidly expanding sector.

GROUP REVENUE BY AREA



MENA - 11 %

MENA CASE STUDY

Strengthening Turkey's EU positioning

In the MENA region, our team of waste water experts has been helping Turkey reach EU standards by facilitating improvements to environmental protection and living standards for two eastern Turkey cities.

Through administrative and technical capacity building to the municipalities' water utility departments we are helping to improve the efficiency and sustainability of the departments' management activities, leading to better operational and financial results.

Our advice will help Turkey provide the two cities' combined population of 265,455 with improved hygiene, fully functioning sewerage and drainage systems, proper sanitation facilities and waste water treatment facilities.

Wadi Al Asla Project

Rest of the World
(1% of Group revenue)

In the Rest of the World - predominantly focused on the donor funded market - we generated revenue of £1.8m (nine months to 31 March 2011: £1.6m) with an operating loss before separately disclosed items of £0.3m (nine months to 31 March 2011: £0.1m profit).

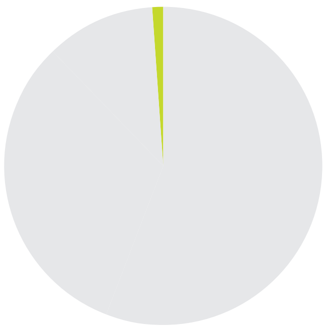
During the past four years, we have significantly increased our portfolio of public financial management (PFM) projects with funding from the Asian Development Bank, the UK's Department for International Development, European Bank for Reconstruction and Development, EU and World Bank. The latest additions to this portfolio include the €3m PFM Strengthening Programme for the World Bank in Laos, which is the second largest PFM project ever won by WYG, and technical assistance to the democratic governance programme in Malawi.

Additionally, in the field of Social Development & Infrastructure, we are working in partnership with IPA Economics (UK) and CID Consulting (Egypt) to transform the Egyptian water sector by making utilities more efficient. We are undertaking similar but smaller projects with Safege in Lesotho.

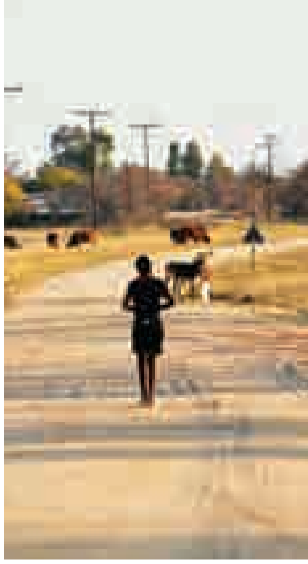
Our strategic aim to diversify our client base in the international donor market was boosted by our inclusion in two framework contracts under the UK Government's Governance and Security Programme. The programme covers the supply of selected governance and security sector services under bilateral programmes in fragile and conflict-affected states until at least February 2014, with the possibility of an extension for a further two years.

We have also secured a number of major contract extensions, notably a two year extension to our work to strengthen trading relations between the European Union and South Africa. This EU-funded project, which is now set to run until 2015, is improving communication and information exchange between government and non-government organisations, increasing public awareness and building the capacity of stakeholders engaged in international trade.

GROUP REVENUE BY AREA



Rest of the World - 1%



REST OF THE WORLD CASE STUDY

Consultancy Project of the Year

In November 2011 we celebrated recognition of our international work at the annual British Expertise International Awards in London where we received ‘Consultancy Project of the Year’ for project management of the Samtskhe-Javakheti Roads Rehabilitation project in Georgia, funded by the Millennium Challenge Corporation of USA.

The Samtskhe-Javakheti Roads Rehabilitation Project was a challenging four year project involving the rehabilitation of 220km of highway across inaccessible and difficult terrain. It was successfully delivered despite testing climatic conditions, a demanding timetable and against the background of a complex and challenging political situation, including the military conflict which erupted in the country in 2008. The award recognised the challenges and the benefits resulting from the project in terms of the improved economic and social development of this poor and remote region.

PEOPLE
& AWARDS

> We do not underestimate the challenges our people have faced during a sustained period of difficult trading conditions, and we thank all our employees at all levels for their hard work and commitment.

PAUL HAMER
CHIEF EXECUTIVE OFFICER

As at 31 March 2012, we employed 1,325 permanent employees (2011: 1,587). After two years of significant headcount reductions, this marks a levelling off in terms of overall numbers: it also masks the fact that in the past 12 months we have made some significant new hires in a number of growing business areas.

As a Board we recognise that it is the dedication, quality and enthusiasm of our people that underpins WYG's success. We do not underestimate the personal and professional challenges our people have faced during a sustained period of difficult trading conditions and operational restructuring, and we thank all our employees at all levels for their hard work and commitment throughout the year.

It is a further tribute to their professionalism that, notwithstanding the considerable pressures under which our people have been working, they have won a number of awards during the year. Collectively, these awards show that our consultants have continued to do work that is recognised as being market leading, safe and sustainable.

Key Performance Indicators

We identify and set key performance indicators (KPIs) at different levels throughout the business. At the Group level the main focus of our analysis is on the KPIs and performance measures the Board has set for financial performance, operations and growth.

Financial Performance

Under this heading we assess our performance on revenue, profit, cash conversion and the cost base.

Operations

These KPIs include measures to assess order intake, utilisation, earnings per person and claims.

Growth

KPIs measured under this heading include: order book, international revenue, the split of international public and private work, and the conversion rates of expressions of interest to bids and bids to contract wins.

Within each business segment the metrics we use to assess KPIs can vary considerably, so we use a variety of methods to measure performance against the KPIs.

For example, an acceptable level of order intake or earnings per person may be very different in a part of the business where we undertake a large volume of relatively small projects as compared with one where we work on a small number of very long term projects.

Traffic light reports are produced for monthly management meetings. Where concerns are identified, the Board requires targeted mitigating measures to be identified, put in place and reported upon.

Awards 2011/12

The awards include:

- British Expertise International Awards Winner - Consultancy Project of the Year 2011
- RoSPA Occupational Health and Safety Gold Medal Award 2011
- National Recycling Awards Winner - Local Authority Target Success 2011
- RICS Northern Ireland Awards - Project of the Year & Community Benefit 2011 Winner
- Construction Excellence in the North East Awards Winner - Integration & Collaborative Working Award 2011
- BREEAM Wales Awards Winner - Office 2011
- RIBA North West Awards Winner - Outstanding Architecture 2011

In addition, we have established KPIs for:

Technical Excellence intended to measure and improve the technical quality of solutions and services we provide to our clients and measure profile in the technical press.

Employee Satisfaction KPIs include employee turnover as a measure of employee engagement.

Leadership KPIs measure the performance of our Directors and managers to guide, direct and influence people based on a competency framework set in the context of business planning objectives.

PAUL HAMER
CHIEF EXECUTIVE OFFICER
7 JUNE 2012

FINANCIAL
REVIEW

"We have introduced a number of initiatives directed at improving the working capital cycle, and we are already seeing great success in this area."

SEAN CUMMINS
GROUP FINANCE DIRECTOR

Gross revenue was £139.9m (nine months to 31 March 2011: £121.5m). Net revenue attributable to in-house services, after deducting revenue associated with third parties on which the Group does not make a margin, was £123.4m (nine months to 31 March 2011: £106.7m). Net revenues were stable through the year at £62.1m in the second half compared with £61.3m in the first half. International revenues now account for 44% of all revenue - on an annualised basis.

The Group made an operating loss before separately disclosed items of £3.5m (nine months to 31 March 2011: profit of £0.1m). More importantly, we have seen a significant improvement in business performance in the second half of the year, with an operating loss before separately disclosed items of £1.0m, which compares to an equivalent £2.5m loss in the first half. Following a period of sustained decline, stable revenue has provided a platform from which we have focused on improving staff utilisation, whilst our success in reducing overhead costs, particularly professional indemnity insurance, property and information technology costs, has exceeded our original expectations. Further benefits are expected to accrue in productivity and overhead savings.

Within interest cost we have nearly four months of cost associated with the loan facility prior to the refinancing in July; thereafter the primary component is the interest charge relating to the ongoing bond facility which will gradually reduce through to the start of 2015.

Overall, the Group recorded a loss before tax and separately disclosed items of £3.5m (nine months to 31 March 2011: £0.1m profit). The Group has significant losses brought forward in the UK and is unlikely to pay UK tax for the foreseeable future. However, we do generate profit in many of our overseas activities, upon which we attract local corporation tax.

Loss per share adjusted to exclude separately disclosed items fell to 7.4p (2011: loss of 5.9p).

On a statutory basis, the Group made a profit before tax of £11.9m (nine months to 31 March 2011: loss of £28.6m), reflecting the positive impact of separately disclosed items in the period, details of which are set in note 2. Group EBITDA before separately disclosed items was a loss of £1.6m (2011: profit of £1.6m).

Following the capital restructuring the Group had net cash at 31 March 2012 of £23.0m (31 March 2011: net debt of £29.2m). Within the reported net cash balance, we have an element of restricted cash, primarily associated with the captive insurance company, together with other project specific commitments. At the year end, the restricted balance was £6.7m, leaving an unrestricted balance, our key performance indicator, of £16.4m (31

March 2011: net debt of £37.7m). The reduction in the unrestricted cash value since the restructuring is in line with that expected at the time of the capital raising last summer. £9.4m has been applied towards legacy issues including the ongoing commitments on unoccupied offices, settlements on professional indemnity insurance excesses together with redundancy and restructuring payments. The cash cost of such issues should reduce significantly over the next two years. Funding trading losses was the other major cause of the reduction in the cash balance.

The Group continues to be acutely focused on cash generation and the effective management of working capital. We have introduced a number of initiatives directed at improving the working capital cycle, whilst reducing our use of advance payment bonds. We are already seeing great success in this area as we modify arrangements with our consortium partners and diversify our international portfolio to be less concentrated on EU donor funded work. Initially, working capital will increase during the course of this year, as 'old regime' contracts work their way through the system, thereafter we should see the benefits of current initiatives showing through. Working capital days, excluding advance payments, will be the measure of success, which at the year end was 110 days.

As at 31 March 2012, the order book stood at £153.6m (2011: £177.6m) which is made up of UK and Ireland orders of £72.9m (2011: £73.6m) and international orders totalling £80.7m (2011: £104.0m).

Pension schemes

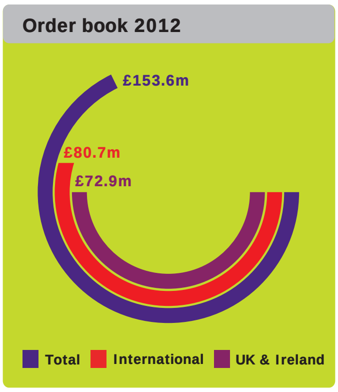
We have two defined benefit pension schemes which have been closed to new members for a number of years. The WYD Scheme received a contribution of £0.6m (nine months to 31 March 2011: £0.5m) and has seen its closing net liability decrease to £1.0m (2011: £1.2m). No contributions were made to the 1986 Scheme which is in the process of being wound up.

Treasury operations

Our policy on treasury and financial risk is set by the Board and reviewed on a regular basis. The treasury risk faced by the Group includes credit risk and foreign exchange risk.

It is our policy that we do not speculate in financial instruments or enter into speculative transactions. The types of financial instruments we use include internal cash resources, borrowings, bonds and receivable and payable balances arising directly from Group operations.

The majority of revenue and expenditure from operations is denominated in the same currency giving an effective hedge to relevant transactions. A proportion of our net assets is denominated in Euros.



Business Review

Risk Management

The key risk areas potentially impacting on the business are as follows:

International risk

The Group is subject to the risks of conducting business in different jurisdictions around the world. These risks include: economic, social or political instability, fluctuations in currency exchange rates; changes in foreign laws and regulatory requirements; and changes in tax regulation, including changes to UK tax legislation.

Risk in connection with bonding facilities

The Group currently relies on the availability of bonding facilities in certain overseas territories to enable it to obtain new work and to fulfil existing contractual obligations that are secured by tender or performance bonds. Bonding facilities are currently provided by the Group's lenders and they have agreed to commit the bonds currently drawn in the existing bonding facilities until 31 December 2014 or their redemption if earlier. During the past nine months, the Group has secured facilities with new bond providers in the UK, Poland and Turkey. Moreover, the Group intends to continue to manage its reliance upon bonds by pursuing its client diversification and partnering strategy and by taking other measures to reduce its use of advance payment bonds.

Market risk

WYG provides white collar consulting and infrastructure services to customers in the public and private sectors. The Group's core markets are the construction and house building sectors, the environment, transport and planning markets and the engineering market. Each of these markets has been adversely affected by the recent economic downturn and the medium to long term outlook remains uncertain. By keeping our direct and indirect exposure to each of our market sectors under close review, and defining and implementing bespoke strategic plans for each of them, we seek to ensure a balanced portfolio. However, any new, substantial downturn in one of the key markets, or in a number of markets at the same time, may have an adverse effect on the Group.

Government spending

Each of the Group's core market sectors is heavily influenced by the direct or indirect impact of UK Government spending programmes and, in the case of the international business, the spending programmes of various overseas governments and international organisations. The unprecedented public sector cuts generated by the UK Government's major spending reviews have significantly affected the Group's activities and caused material uncertainty for the Group's future revenues. Any further reduction in government spending affecting sectors on which the Group relies may have a material adverse effect on the business.

Competitors

The Group competes against a large number of other companies across different service lines. Whilst the Directors believe that WYG is well positioned in these markets, the Group remains exposed to the adverse impact of the actions of its competitors. The Group attempts to mitigate this risk by continually seeking to improve its competitive position.

Key customers

Certain of the Group's revenues are dependent on it being designated an 'approved supplier' by a number of customers. There can be no guarantee that the Group will retain this status, and the Group seeks to mitigate such risks by ensuring that it has ongoing dialogue with these customers and by monitoring its business relationships with them.

Litigation risk

WYG operates in a number of markets in which there is an inherent risk of claims for alleged professional negligence. Indeed, in common with its competitors, WYG receives numerous professional negligence or similar claims on an ongoing basis. Over the past two years the aggregate number and quantum of such claims has reduced substantially. The Group is insured against the majority of professional negligence claims and seeks to mitigate the risks of such claims through its internal processes and controls.

Key employees

The Group's success depends, to a significant extent, on the continued services of its Directors and senior management team, who have substantial experience in the industry and in their specific roles. The loss of members of the senior management team and of other suitably qualified employees could be detrimental to the business.

Pension schemes

The Group has two defined benefit schemes (the WYD Pension Scheme and the White Young Consulting Group Limited Retirement Benefit Plan (1986) ('1986 Plan')), both of which are closed to new members and to future accrual. The 1986 Plan is in the process of being wound up. The most recent formal actuarial valuation of the WYD Pension Scheme as at 1 July 2011 disclosed a deficit of £2.4m on an ongoing basis. The combined deficit of the WYD Pension Scheme and the 1986 Plan was £2.7m as at 31 March 2012.

The outcome of future valuations of the WYD Pension Scheme will be dependent on various factors, including changes in market conditions and the performance of investments, on the actuarial assumptions adopted and changes to life expectancy. The independent trustee of the 1986 Plan has challenged the basis of the winding up of that plan, its closure to future accrual and the basis of the Settlement Agreement (as defined in Part VII of the AIM Admission Document dated 9 December 2009).

Other risks

The risks surrounding our financing arrangements are covered in the notes to the accounts, along with any significant judgements and key sources of estimations. These risks are considered by the Board to be typical for a consultancy services group of WYG's size, history and sphere of operations.

SEAN CUMMINS
GROUP FINANCE DIRECTOR
7 JUNE 2012

BOARD OF DIRECTORS
& ADVISERS

Mike McTighe Non Executive Chairman & Chairman of the Nominations Committee (58)
Mike McTighe was appointed to the Board in August 2009. He is currently Chairman of Volex Group plc, and JJB Sports plc, Senior Independent Director at Betfair Group plc, a member of the Board of Ofcom and Chairman of two private companies including Arran Isle. Previously he was Chairman and CEO of Carrier I International S.A. and before that Executive Director and Chief Executive Global Operations of Cable & Wireless plc.

Paul Hamer Chief Executive Officer (43)
Paul Hamer has been Chief Executive Officer of WYG since March 2009. On 1 January 2012, he was elected Chairman of the Association for Consultancy and Engineering (ACE) and is also a board member of the Leeds City Region Local Enterprise Partnership, on which he Chairs the Green Economy Panel. He was Managing Director of VT Nuclear Services, part of the VT Group Plc, and brings with him over 20 years' experience in business management, leadership and project delivery. He has also held several senior executive positions in the contracting, nuclear, oil, chemical and petrochemical sectors.

Sean Cummins Group Finance Director (49)
Sean Cummins joined WYG in December 2011 as Group Finance Director. He was Group Finance Director of Scott Wilson plc, the global design and engineering consultancy, from September 2007 until its acquisition by URS Corporation in September 2010. From 2000 until 2007 he was Group Finance Director of Yule Catto & Co plc, the international chemicals group, prior to which he was Finance Director of BTR Power Systems, a division of Invensys plc. Sean is a chartered accountant with more than 25 years' experience in financial management and business leadership as well as in depth knowledge of the global consultancy sector.

Graham Olver Chief Operating Officer (51)
Graham Olver joined the Board in August 2009 as Group Services Director and Company Secretary. Graham resigned as Company Secretary with effect from 3 May 2011 and was appointed Chief Operating Officer with effect from 1 February 2012. Previously he was Commercial and Operations Director with Skanska Infrastructure Development, a division of Skanska AB. He has over 20 years' international business and project experience and has held senior commercial and legal positions at Thames Water, Thames Water International and ALSTOM.

Robert Barr Senior Independent Non Executive Director & Chairman of the Remuneration Committee (56)

Robert Barr was appointed to the Board on 1 January 2007. Since June 2004 he has been Group Chief Executive of Arran Isle Ltd (previously Heywood Williams Group plc), prior to which he was Chief Operating Officer of Kingspan Group plc. Previously, Robert was Managing Director (Europe) and a main board director of Bespak plc having spent his early career in various international management roles at Diageo plc.

David Jeffcoat Non Executive Director & Chairman of the Audit & Risk Committee (62)

David Jeffcoat was appointed to the Board in December 2009. He is a qualified accountant with extensive experience in the engineering and technology sectors. He was Group Finance Director and Company Secretary of FTSE 250 manufacturing group Ultra Electronics Holdings plc from 2000 until his retirement in April 2009. Prior to that, he served as Group Financial Controller with Smiths Industries plc (now Smiths Group). He also sits on the Board of Aberforth Smaller Companies Trust plc and is a trustee of the Marine Society & Sea Cadets.

Company Secretary and Registered Office
Benjamin Whitworth
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Leeds LS6 2UJ

Company Number
01869543

Independent Auditors
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Chartered Accountants and Statutory Auditors
Benson House
33 Wellington Street
Leeds LS1 4JP

Bankers
Lloyds TSB Bank plc
6-7 Park Row
Leeds LS1 1NX

BNP Paribas Fortis
10 Harewood Avenue
London NW1 6AA

The Royal Bank of Scotland plc
2 Whitehall Quay
Leeds LS1 4HR

Registrars
Capita Registrars Limited
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

Solicitors
Eversheds LLP
Bridgewater Place
Water Lane
Leeds LS11 5DR

Nominated Adviser and Corporate Broker
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10 Paternoster Square
London EC4M 7LT

Financial Public Relations
MHP Communications
60 Great Portland Street
London W1W 7RT

CORPORATE RESPONSIBILITY

Policy

At WYG we aim to apply our skills to create a positive, sustainable future for our business, society and the environment. We define sustainability broadly, covering all of the social, environmental and ethical aspects of what we do to help our clients meet their own sustainability goals. We understand that sustainability needs to be embedded in our own business strategies, decision making and practices at all levels and to that end, the Board, its committees and the operational management of the business routinely take account of social, environmental and ethical risks and opportunities in their decision making.

Business activity

A significant proportion of our business is based on social and environmental projects. In the UK & Ireland, our consultants have:

- advised clients on social housing schemes, the impact of household and population growth on their services and major land remediation projects
- developed the infrastructure and sustainability strategy for Scotland's largest sustainable new town, helped a client to secure planning permission for a windfarm in Wales, organised a country-wide groundwater monitoring programme for the Environmental Protection Agency in Ireland and provided the UK Environment Agency with advice under its four year National Site Investigation framework
- published reports on the benefits of environmental management systems and the merits of different recycling schemes and volunteered advice on the latest developments in energy efficient household technology at the British Science Festival.

Overseas, the majority of our work is to support international development agencies such as the EU, the Department for International Development, World Bank, European Bank for Reconstruction and Development, and the Asian Development Bank. These include:

- helping businesses in Poland to overcome the negative effects of the economic slowdown and strengthening trade relations between South Africa and the EU
- working with clients to secure funding for major transport and infrastructure improvement projects in Bulgaria, Poland, and the Western Balkans
- working on projects to reduce poverty in Bangladesh through the development of small businesses and facilitating improvements to environmental protection and living standards for people in Turkey.

We believe that our work in these fields informs and is informed by our approach to corporate responsibility throughout the business and that the high proportion of our business that is directly focussed on social, environmental and ethical outcomes delivers benefits for our clients, employees and other stakeholders.

Achievements

This year we have focussed on the practicalities of ensuring that we operate in a responsible and sustainable manner through the Commercial Development & Operations Process (CDOP) introduced last year. CDOP supports our business operations over the entire lifespan of a project. It can be applied in a way that is proportionate to each opportunity and it is designed to ensure that we deliver quality services, provide best value for money, build winning relationships and generate repeat business.

We have:

- won RoSPA's Occupational Health & Safety Awards gold medal for the 8th year in a row
- renewed ISO9001, ISO14001 and OHSAS 18001 certifications
- obtained Continuing Professional Development certification of our in-house CDOP training courses
- appointed a head of Technical Excellence to improve our operational risk management
- re-launched the Group's intranet site to improve internal communication and accessibility of resources
- reduced our carbon footprint with a further rationalisation of our property portfolio, enhanced utilisation of remaining office space and improved web and telephone conferencing facilities leading to reduced travel
- made improvements in procurement leading to reduced use of office consumables and a reduction in the number of supplier deliveries.

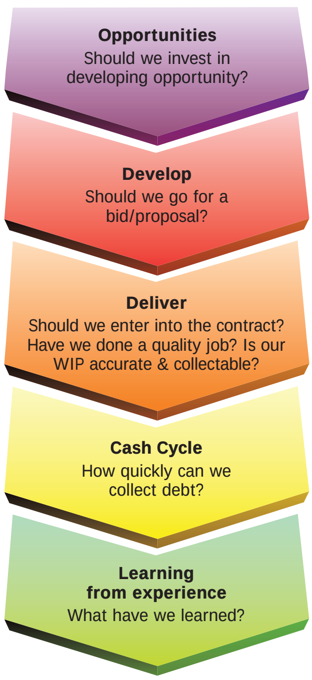
Health & safety

We remain committed to our award winning high standards of health, safety and welfare for employees and others who may be affected by our activities. Health and safety arrangements for our UK and Ireland operations continue to be certified to OHSAS 18001 as they have been since 2004.

Our objectives now include:

- benchmarking our site inspection regime and improving our compliance scores as part of a long term strategy supported by targeted, independent site visits
- reducing the number of 'lost time' accidents and incidents across the Group with an increased emphasis on 'near miss' reporting so as to improve awareness and behaviour.

CDOP Stages

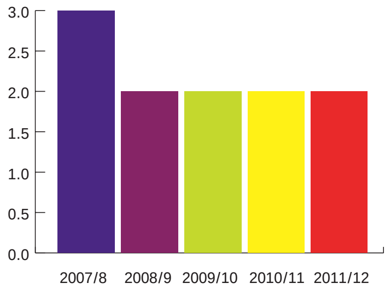


Accident and enforcement record

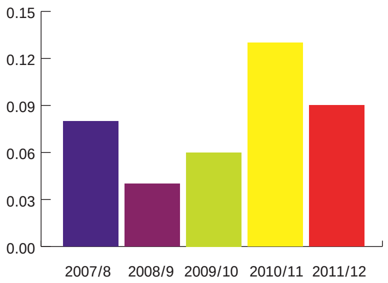
	2007/8	2008/9	2009/10	2010/11	2011/12
RIDDOR reportable accidents in the UK	3	2	2	2	2
Reportable accidents in the Republic of Ireland	0	0	0	1	0
Accident Frequency Rate (AFR)	0.08	0.04	0.06	0.13	0.09

$$AFR = \frac{\text{Total number of reportable injuries x 100,000}}{\text{Man hours worked}}$$

RIDDOR reportable accidents in the UK



Accident Frequency Rate (AFR)



Responsible trading & CO² emissions
As we are an internationally focussed business, our people are expected to be aware and take due consideration of all cultures and to ensure they comply with the laws and regulations of the countries where they operate.

We continue to seek closer engagement with our suppliers so that together we can reduce the impact of our supply chain on the environment, particularly with regards to travel, transport and office products. We aim to work with suppliers who are environmentally aware and can demonstrate sustainable practices.

Having significantly reduced our UK and Irish property portfolio over the previous two years, we made further reductions this year and are now concentrating on improving the utilisation of the remaining premises. We work closely with the landlords and managing agents of our properties to ensure that they are managed as efficiently as possible in terms of energy usage and expenditure.

In our UK and Irish offices we have continued to make energy savings and emissions reductions a result of the energy management plans introduced last year. We are now introducing similar disciplines in our international offices.

The Bribery Act 2010

Prior to the implementation of the Bribery Act in June 2011, we reviewed our procedures to ensure they adequately reflected the UK Government's guidelines of: proportionality, top level commitment, proper risk assessment and due diligence, communication (including training), monitoring and review. We have placed a number of guidance notes and other anti-bribery resources on our Group intranet and launched an 'anti-bribery' e-learning module for completion by staff covering areas of high risk faced by the business.

Community engagement

Our community engagement policy allows up to three days' paid leave for employees undertaking community engagement initiatives. Activity in this area during the period has been less than in previous years but has included a number of individual and office-based fundraising events for national and local charities, sponsored community-based events and local volunteering.

Nevertheless, as in previous years, we have continued our work through Waste Management Research Limited (WMRL) which was established as an independent Environmental Body in 1996 to provide services and support to Landfill Tax funds beneficiaries and management support to funding providers. The purpose of an environmental body is to receive Landfill Tax funds from landfill operators and spend the money on the approved objects and categories as defined in the regulations. WMRL is an incorporated part of the WYG Group.

In the last financial year WMRL has administered funds for projects over £83,000. Projects funded this year have included the refurbishment of three Community Halls, the restoration of a Grade II* listed church, a parish notice board, a local footpath, the creation of wetland habitats with a local Wildlife Trust and also the establishment of a brand new multi-sports club in Salisbury.

Looking forward

We have been reviewing our sustainability performance indicators to ensure that in the coming year we can more accurately measure and benchmark our performance in terms of:

- energy consumption
- CO^2 emissions
- company travel
- environmental incidents/near misses
- raw materials
- supply chain
- employee retention, training and diversity.

DIRECTORS' REPORT

The Directors present their Annual Report and the audited accounts of the Company and its subsidiaries ('Group') for the year ended 31 March 2012.

Principal activity and review of operations

WYG plc is incorporated and domiciled in England. The address of its registered office is Arndale Court, Otley Road, Headingley, Leeds, LS6 2UJ.

The principal activity of the Group in the period under review was that of consultant to the built, natural and social environment. The Group's revenue derives principally from its consultancy activities in the UK and Ireland, Eastern Europe, Middle East and North Africa. The principal activity of the Company is that of a holding company. As required by the Companies Act 2006, a review of the Group's business, together with an indication of its future prospects and a description of the principal risks facing the Group, is provided in the Chairman's Letter, the Business Review on pages 15 to 30 and in the five year financial summary on page 105.

Details of the Group's principal trading subsidiaries are listed on page 79. The Group also has branch offices in Russia, South Africa and Abu Dhabi and representative offices in Russia, Belgium, Cambodia and Serbia.

Share capital

The Company's ordinary shares are traded on AIM, a market operated by the London Stock Exchange plc.

On 15 July 2011, the Company announced the completion of a major financial restructuring. This comprised:

- the placing ('Placing') of in aggregate 64,000,000 new ordinary shares at a price of 50 pence per new ordinary share with new institutional investors (equivalent to one pence per ordinary share on a pre share consolidation basis), raising gross proceeds of approximately £32m (approximately £30m net of expenses)
- the conversion of approximately £51m of the Group's net debt (excluding certain restricted cash balances) into 4,540,758 convertible shares
- the redesignation of all of the preference shares held by the Group's lenders and the Employee Benefit Trust with an aggregate nominal value of £30m into 'C' deferred shares
- a share reorganisation such that each existing ordinary share of 10 pence each in the capital of the Company was sub-divided into one ordinary share of 0.002 pence each and one 'B' deferred share of 9.998 pence each in the capital of the Company
- a share consolidation undertaken on the basis of one post-consolidation ordinary share for every 50 existing ordinary shares.

Subsequent to the Company's Annual General Meeting (AGM) held on 23 September 2011, the Company repurchased and cancelled all of the deferred, 'B' deferred and 'C' deferred shares for £1.

On 19 October 2011, the Company's share premium account and the capital redemption reserve were cancelled in order to create distributable reserves pursuant to the special resolutions passed by shareholders at the Annual General Meeting held on 23 September 2011.

Accordingly as at 31 March 2012, the Company's share capital is as follows:

- 64,705,797 ordinary shares of 0.1 pence each
- 4,540,758 convertible shares of 0.1 pence each.

The rights and obligations attaching to each class of shares are set out in the Company's Articles of Association which are available on our website.

Movements in the Company's allotted and fully paid share capital are set out in note 22 to the accounts.

Employee Benefit Trust

The Company's Employee Benefit Trust (EBT) was established to satisfy awards granted under the Performance Share Plan (PSP) and the Joint Share Ownership Plan (JSOP). The trustees of the EBT are RBC Cees Trustees UK Limited which is resident in Jersey.

The PSP and JSOP were terminated on 24 August and 14 September 2011, respectively. As at 31 March 2012, the EBT held 172,608 ordinary shares.

Directors

The Directors of the Company who served during the year and up to the date of the signing of the financial statements were as follows:

Mike McTighe
Paul Hamer
Sean Cummins*
Graham Olver
Robert Barr
David Jeffcoat
David Wilton*

*David Wilton resigned from the Company on 17 November 2011. Sean Cummins was appointed as a Director on 2 December 2011.

The biographical details of the Directors can be found on pages 31 and 32.

Directors' election and rotation

In accordance with the Articles of Association, which require that any director appointed during the year shall hold office only until the next AGM and shall then be eligible for election, Sean Cummins is seeking election at the AGM. Graham Olver and Robert Barr will retire by rotation and, being eligible, will offer themselves for re-election at the AGM.

Directors' interests
The beneficial interests of the Directors of the Company and their families in the ordinary shares of the Company and their options and/or awards over shares comprised in the Company's share schemes are detailed in the Directors' Remuneration Report on pages 47 to 52.

No Director had any interests in any contract with the Company or its subsidiaries at any time during the year other than those arising from their service contracts or letters of appointment and through the Company's share option schemes. The Company maintains insurance to cover directors' and officers' liability.

Directors' indemnities
As permitted by the Companies Act 2006, the Company has indemnified the Directors in respect of proceedings which may be brought by third parties. Neither the Company's indemnity nor its insurance provides cover in the event that a Director is proved to have acted fraudulently or dishonestly.

Corporate governance
The Group's statement on Corporate Governance is included in the Corporate Governance Report on pages 43 to 46 of this report.

Annual General Meeting
The AGM will be held at the Company's registered office at Arndale Court, Otley Road, Headingley, Leeds LS6 2UJ on 26 September 2012 at 2pm. Formal notice of the AGM, including details of special business is set out on pages 99 to 102 and on the Company's website at www.wyg.com.

Significant shareholdings
As at 15 May 2012 the Company had been notified of the following interests in 3% or more of its issued share capital:

	Number of shares held	Percentage of issued share capital (%)
Artemis Investment Management LLP	11,437,769	17.68
GoldenPeaks Capital	9,061,061	14.00
Legal & General Investment Management	8,000,000	12.36
Robert Keith	6,010,000	9.29
Soros Fund Management	5,849,424	9.04
Aviva Investors	5,600,000	8.65
Henderson Global Investors	5,406,654	8.36
Standard Life Investments	4,861,050	7.51
Hargreave Hale stockbrokers	2,500,000	3.86

Substantial contracts and change of control

The Group has in place various contractual arrangements with customers and suppliers some of which provide for termination in the event of a change of control but none of which is considered to be significant in terms of its potential impact on the business as a whole.

The Group also has a syndicated banking facility in place with its lenders which provides for the mandatory prepayment of the facilities in the event of a change of control.

Trade creditors

The Group's policy is to settle invoices promptly according to terms and conditions as far as is practicable. As at 31 March 2012 the amount due to trade creditors represented 31 days (2011: 41 days) purchases received from those creditors. The Company does not have any trade creditors.

Treasury policy

The Group's policy on treasury and financial risk is set by the Board and is subject to regular reporting and review. The main risks faced by the Group relate to foreign currency risk, credit risk, and cash flow. A more detailed explanation of these risks and the Group's policy for managing them is set out on pages 28 to 29 and in note 21 to the Accounts.

Employment policies

Our policy is to ensure the adequate provision for the health, safety and welfare of our employees and of other people who may be affected by our activities.

Employment of disabled persons

We treat applications for employment from disabled persons equally with those of other applicants having regard to their ability, experience and the requirements of the job. Where existing employees become disabled every effort is made to provide them with continuing suitable work within the Group.

Employee diversity

WYG supports the principle of boardroom diversity and welcomed the report by Lord Davies of Abersoch entitled Women on Boards. We believe Board composition is a key element of Board effectiveness. Each member and potential member of our Board must be able to demonstrate the skills, experience and knowledge required to contribute to the effectiveness of the Board. WYG believes that the Board's perspective and approach can be greatly enhanced through gender, age and cultural diversity. It is our policy to consider overall Board balance when appointing new directors and we will always seek to appoint on merit against objective criteria, including diversity.

Employee involvement

Our success depends upon the continued commitment and motivation of our workforce and it is our policy that employees are kept informed of matters affecting their employment and of our financial results on a regular basis. We continue to engage fully with affected employees on redundancies across the Group and, where collective redundancy consultations are required, appropriate employee representatives have been elected and the consultation has been in line with applicable legislation.

During the year, the Group undertook an extensive exercise to gauge the views of employees on a number of topics. The results were presented to the Board and, in response, the Directors initiated a programme to review roles, grading and the links between performance and pay. This programme is still ongoing. In addition, emails are circulated to all staff to inform them about significant events and contract wins across the Group and a comprehensive employee intranet is maintained with news items and a wide range of employment-related resources.

Charitable and political donations

The Group made charitable donations amounting to £3,800 (nine months to 31 March 2011: £3,600) during the year. No political donations were made in either year.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration 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 prepared the Group and Parent Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 Group and the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable IFRSs as adopted by the European Union 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 the Group and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names and functions are listed in the Director's Report confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the Group and
- the Directors' Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

Going concern

As a consequence of the financial restructuring described above the Directors have formed the conclusion that the Company and the Group have adequate resources to continue to operate for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing these accounts.

Statement on disclosure of information to the Independent Auditors

So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware.

Each Director has taken all reasonable steps to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

PricewaterhouseCoopers LLP has expressed its willingness to be re-appointed. A resolution to re-appoint them as independent auditors will be proposed at the AGM.

By order of the Board

Benjamin Whitworth
Secretary
7 June 2012

CORPORATE GOVERNANCE

Compliance with UK Corporate Governance Code

WYG is committed to high standards of corporate governance throughout the Group.

As a company whose shares are traded on AIM, WYG is not required to comply with all the requirements of the UK Corporate Governance Code ('Code') published by the Financial Reporting Council in June 2010. However, the Board continues to implement policies and procedures designed to comply with the Code so far as reasonably practicable and appropriate for a public company of its size and complexity and in the light of risks and challenges it faces.

This report sets out how the principles identified in the Code have been applied by the Group in the current financial period.

The Board

The Board currently comprises a Non Executive Chairman (Mike McTighe), three Executive Directors (Paul Hamer, Chief Executive Officer, Sean Cummins, Group Finance Director and Graham Olver, Chief Operating Officer) and two Non Executive Directors (Robert Barr and David Jeffcoat). The Board considers Mike McTighe, Robert Barr and David Jeffcoat to be independent. Robert Barr is the Senior Independent Non Executive Director.

The roles of Chairman and Chief Executive are separate and clearly defined in writing. The Chairman is responsible for the leadership of the Board and monitoring its effectiveness. The Chief Executive is responsible for the executive management of the Group's business.

All Directors are subject to election by the shareholders at the first opportunity after their initial appointment to the Board and to re-election thereafter at intervals of not more than three years. Biographical details of the Directors are set out on pages 31 and 32. The Non Executive Directors bring a balance and range of skills and experience to the Board and its committees. None of the Executive Directors holds non executive directorships outside of the Group although on 1 January 2012, Paul Hamer was elected Chairman of the Association for Consultancy and Engineering (ACE) and is also a board member of the Leeds City Region Local Enterprise Partnership.

The Board is collectively responsible to shareholders for the Group's overall strategy and direction within a framework of controls which enables risk to be assessed and managed. It has a schedule of matters reserved to it for decision, including: matters requiring the consent of the Company's lenders under the facilities agreement; decisions on strategy, policy, approval of budgets, acquisitions and disposals, major capital expenditure, and risk assessment and assurance.

All Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that Board procedures and applicable rules and regulations are observed. There is an agreed procedure for Directors to take independent professional advice at the Company's expense, if necessary, in the performance of their duties. Where it is considered appropriate, training is made available to the Directors. The Company has appropriate insurance cover in respect of legal action against its Directors.

Board Meetings

The Board meets formally on a regular basis. One meeting each year is specifically reserved for strategic review. The Board is provided with management information which includes detailed monthly management accounts and an analysis of the Group's actual performance against budget, latest forecast and previous year. The form and quality of the information are reviewed to ensure that it is of a quality appropriate to enable the Board to discharge its duties.

The number of Board and Committee meetings attended by each of the Directors during the period was as follows:

	Full Board	Audit Committee	Remuneration Committee	Nominations Committee
Number of meetings held	12	2	2	2
Name				
Paul Hamer	12	0	0	2
Sean Cummins*	4	0	0	0
Graham Olver	12	0	0	0
Mike McTighe	12	2	2	2
Robert Barr	11	2	2	2
David Jeffcoat	12	2	2	2
David Wilton**	7	0	0	0

* Sean Cummins was appointed as a Director on 2 December 2011
** David Wilton resigned as a Director on 17 November 2011

Corporate Governance

Committees of the Board

The Board delegates certain specific responsibilities to committees. Each committee has clearly defined terms of reference which are reviewed annually by the Board. The terms of reference for the Board and each of its committees are available on our website at www.wyg.com.

Audit & Risk Committee

The Audit & Risk Committee is chaired by David Jeffcoat. Mr Jeffcoat is a qualified accountant with extensive experience in the engineering and technology sectors. He is considered by the Board to have the necessary recent and relevant financial experience for his role as Chairman.

The other members of the Committee are Non Executive Directors Mike McTighe and Robert Barr.

Key features of its terms of reference comprise:

- ensuring as far as possible the integrity of the Company and Group statutory financial statements
- making recommendations to the Board regarding the appointment, re-appointment and/or removal of the external auditors
- agreeing the scope and nature of the external audit process and considering the resultant reports prepared by the auditors
- monitoring the effectiveness of the internal audit function, ensuring that it is adequately resourced and has appropriate standing within the Group
- reviewing procedures for detecting fraud and ensuring that arrangements are in place whereby staff may, in confidence, raise concerns about possible improprieties in financial or other matters
- reviewing and approving the Group Finance Manual, including delegated authority levels, on a regular basis.

During the year the Committee met formally on two occasions. In addition, the Committee met the external auditors without the presence of the Company's executive management to review the financial statements and discuss any other relevant matters in confidence. The Chairman of the Committee also held informal meetings with the senior external audit partner and the Head of Internal Audit on a regular basis during the year.

The Committee Chairman reports to every main Board meeting on any relevant audit & risk-related developments and provides copies of the Committee minutes and relevant reports to all Board members.

The Audit & Risk Committee also monitors the nature and extent of non-audit work undertaken by the auditors. Details of the fees paid to the external auditors for the twelve months to 31 March 2012, the split between audit and non-audit fees and information on the nature of non-audit fees is included in note 4 to the accounts. The non-audit fees that were paid in respect of assurance work and international regulatory requirements were not considered by the Audit & Risk Committee to affect the independence of the auditors.

Remuneration Committee

The composition and role of the Remuneration Committee is set out in the Directors' Remuneration Report on pages 47 to 52. Full details of the Directors' remuneration and a statement on remuneration policy are included in the report.

Nominations Committee

The Nominations Committee comprises all Non Executive Directors and the Chief Executive Officer and is chaired by Mike McTighe. The Committee's terms of reference include regular reviews of the structure, size and composition of the Board and the identification and nomination of candidates for appointment to the Board. During the year two meetings were held. The Committee also considers succession planning for the Board and senior managers of the Group.

Dialogue with Shareholders

We value the views of all our shareholders and recognise their interest in our performance, strategy and objectives. There is a regular dialogue with institutional investors, fund managers, brokers, analysts and the media. These meetings are generally conducted by the Chief Executive Officer and Group Finance Director. Feedback on these meetings and copies of any analyst's reports are provided to the other members of the Board.

Formal communication with shareholders is mainly through the Interim and Annual Reports and all shareholders are invited to attend the AGM, which is attended by the full Board. In addition, in May and June 2011, formal presentations were made to all the major shareholders who subscribed for ordinary shares in the £32 million placing. These presentations were attended by the Company's Nominated Adviser.

There is a comprehensive investors section on our website, www.wyg.com, which is regularly reviewed to ensure that all shareholders have access to the most up to date information.

The Chairman and the Senior Independent Director are available to shareholders at any time to discuss strategy and governance matters. Non Executive Directors do not ordinarily attend meetings with major shareholders but would do so if this was requested.

Approved by the Board and signed on its behalf by:

Benjamin Whitworth
Secretary
7 June 2012

DIRECTORS' REMUNERATION REPORT

Letter from the Chairman of the Remuneration Committee

As our Chairman has explained in his letter to shareholders that appears earlier in this report, the Company's major capital restructuring in July 2011 effectively created a new WYG.

It was vital within the new structure for our business that as many as possible of the key executives were retained by the Company and incentivised appropriately. We are ultimately a people business and it is only our people who can deliver on the Board's chosen strategy and create enhanced shareholder value.

Accordingly, and as we explained to our new shareholders and those former investors who supported our re-structuring and future business plans in July 2011, we have introduced a new, one-off share plan for approximately 20 of the most senior executives within our Group. We view these individuals as being the equivalents of 'equity partners' within a traditional professional services firm.

We believe that this share plan - the WYG Transformation Incentive Plan ('TIP') - has key advantages for both our shareholders and for participating employees:

- TIP is straightforward and transparent
- TIP delivers key alignments
  - TIP aligns our executives very directly with our shareholders. Participants will take no value from TIP unless stretching share price thresholds are achieved and sustained within the five year period from July 2011. Any delivery of earned shares to executives is deferred for at least a further 12 months
  - TIP also aligns our executive team with one another. All team members participate in the same plan and on the same terms across all WYG markets
- TIP promotes retention and commitment
  - TIP has available up to 25% of the diluted issued share capital of the Company. While this is a larger 'pool' than is normally available under a company's share plans, it was commercially necessary to tie-in our TIP participants
  - TIP participants have demonstrated their commitment by agreeing to purchase shares in the Company with 50% of earned bonuses and by agreeing to the extension of restrictive covenant periods within their employment contracts.

Full details of the TIP were disclosed in the circular sent to our shareholders at the time of the capital restructuring and the terms are also summarised in the Directors' Remuneration Report that follows this letter.

A key member of our team is our Chairman, Mike McTighe. In order that Mike's strategic expertise remains available to the Company in this vital period of the Company's development, two share-based arrangements for Mike were established in July 2011. These arrangements are:

- an arrangement that mirrors the key terms of the TIP, and that potentially makes one twenty-fifth of the TIP pool available to the Chairman
- a share matching arrangement, whereby the Chairman's share investment of £100,000 in the Company's capital restructuring can be matched on a 2.5 to 1 basis after 3 years provided that the Chairman remains on the board for this period. Any shares that vest cannot be sold for a further 12 months (other than to cover the payment of taxes).

The Remuneration Committee is very aware of the current public focus on executive pay and, in particular, the very valid market 'best-practice' requirements for companies to show that their executives' pay arrangements are aligned with the creation of shareholder value and a company's long-term strategy.

TIP and the arrangements for the Chairman that are described above were established to ensure the alignment of our executive team with shareholder objectives and enhance the retention of key members of the WYG team over a challenging period of transition for the Company. Accordingly, they are acknowledged to be very specific to the commercial circumstances of WYG. However, the principles that are now a significant part of shareholders' and the wider public's focus on pay – alignment with shareholder value and alignment with strategy – are by design at the core of WYG's share-based incentive plans.

In the early part of 2011, when the Board was considering the full range of alternatives that would deliver the most value for shareholders, the Remuneration Committee recognised that securing the continuing services of the three Executive Directors was vital to ensuring a successful outcome. The Committee also took account of the fact that the Executive Directors had waived their right to receive the performance related annual cash bonus they had earned in the year ended 31 March 2011. For this reason, the Remuneration Committee resolved that to retain the key executives throughout the critical period while a new long term capital structure was established and implemented, a bonus of 25% of annual base salary would be paid for each quarter that the Executive Director was employed for the period to 31 March 2012. This one-off arrangement terminated on 31 March 2012.

I hope that you will agree with our approach to the various challenges that have faced us during the year and I am confident that we have taken the right steps to secure and reward the management team in a way that will allow the business to move to the next stage of its journey. The Remuneration Report that follows has been prepared by the Remuneration Committee and approved by the Board for submission to shareholders at the 2012 AGM.

Robert Barr
Chairman of the Remuneration Committee
7 June 2012

REMUNERATION REPORT

Remuneration Committee

The Remuneration Committee comprises all Non Executive Directors and is chaired by Robert Barr. The Committee seeks to provide appropriate incentives to enhance performance and align the interests of the Executive Directors with those of shareholders. It has clearly defined terms of reference to determine, on behalf of the Board, all aspects of remuneration of the Executive Directors. These terms of reference are reviewed annually by the Board. It is also kept advised of and consulted on all aspects of senior management remuneration across the Group. The Chief Executive Officer is invited to attend meetings of the committee but not when his own arrangements are being considered. The Group Finance Director attends and advises the committee as required by invitation. No director participates in discussions about their own remuneration.

Copies of the committee's terms of reference are available on the Company's website www.wyg.com.

Remuneration policy

The overall policy of the Board is to:

- attract, motivate and retain talented people at all levels across the Group
- provide competitive salary and benefit packages and
- encourage the holding of shares in the Company as an effective way of aligning the interests of the senior management team with those of shareholders.

Basic salary

Basic salaries are reviewed by the committee each year taking into account individual and Group performance. It uses as a comparator the salaries of other companies of a similar size and complexity and the level of base salary of other senior staff in the Group.

Benefits

Benefits include a car allowance or a car and payment of its operating expenses and fuel, life assurance and entitlement to a non contributory private healthcare scheme.

Pensions

Executive Directors are members of a defined contribution pension scheme. Annual contributions are calculated by reference to a percentage of base salary, with Executive Directors each receiving contributions of 17.5% of salary.

Performance related annual bonus

Executive Directors participate in a performance related annual bonus scheme; the maximum bonus payable is 75% of salary. Bonuses can only be earned if challenging performance targets determined by the committee at the start of the financial year are achieved.

For the year ended 31 March 2012, the Executive Directors' performance-related annual bonus scheme comprised two elements: 50% was based on achieving cash targets and 50% on achieving profit-related targets. Each element required a minimum target to be achieved (the 'floor') and set a sliding scale between the delivery target and the maximum amount payable if the stretch target was achieved. In the event, the targets were not achieved and no bonus was paid.

Executive requirement to purchase shares

Each Executive Director is required to use 50% of the net of tax amount of any cash bonus received to purchase shares in the Company until such time as the executive's personal shareholding is equivalent to 100% of his post-tax annual base salary (200% in the case of the Chief Executive), such shares to be retained at least until 12 July 2014.

LONG TERM INCENTIVES

Transformation Incentive Plan (TIP)

On 12 July 2011, following a recommendation of the Company's Remuneration Committee, the Company granted share option awards ('Awards') to the Executive Directors of the Company over 8,196,068 ordinary shares of 0.1p each in the Company. Furthermore the Committee, also granted the Chairman of the Company, Mike McTighe, a share option award under the TIP over 862,743 ordinary shares and established a separate share matching arrangement for the Chairman of 500,000 ordinary shares.

The Awards to the Executive Directors were as follows. Paul Hamer was granted 4,313,720 ordinary shares, David Wilton 1,941,174 ordinary shares and Graham Olver 1,941,174 ordinary shares. The Awards to Mr Wilton all lapsed on 17 November 2011.

In accordance with the rules of the TIP, the Awards have been granted as a conditional allocation of ordinary shares with a nominal value exercise price and no shareholder rights will be conferred upon the awardholders until the Awards have vested and ordinary shares are acquired. Such vesting is subject to the achievement of challenging and stretching performance conditions relating to the achievement of the share price threshold targets for the ordinary shares shown in the table below:

Performance Threshold (ordinary share price level for 25 consecutive trading days)	**Percentage of Award vesting**
£1.50 or above	100%
£1.25 or above	66.66%
£1.00 or above	33.33%
Less than £1.00	Nil

As mentioned above, the Company has also granted the Chairman an allocation of share awards over 862,743 ordinary shares ('Chairman's Share Award'). These have been granted on the same terms as the TIP but without the share retention, clawback or restrictive covenant requirements applicable to other awardholders.

Further details of the Awards and the Chairman's Share Award are set out in the circular issued to the shareholders by the Company on 24 June 2011 ('Circular').

In addition, on 12 July 2011, the Company established a separate share matching arrangement for the Chairman to ensure his continued retention within the business (the 'Matching Share Award'). Under the Matching Share Award, in consideration for the Chairman investing £100,000 in the Placing (as defined in the Circular) to acquire new ordinary shares, the Chairman was granted a share option award of 2.5 matching ordinary shares for each new ordinary share so acquired, being a total of 500,000 ordinary shares ('Matching Shares'). The Matching Share Award has a nominal value exercise price. There are no performance conditions that apply to this award. The Matching Shares will vest on 12 July 2014 (being the third anniversary of the admission of the new ordinary shares to trading on AIM) provided that the Chairman is still a director of the Company and that he continues to hold all of the ordinary shares he acquired as described above.

On 8 March 2012, following the recommendation of the Company's Remuneration Committee, Sean Cummins, was granted the option to acquire 1,941,174 ordinary shares at an exercise price of 0.1p per share.

Performance Share Plan (PSP)
The Trustee resolved to agree to the cancellation of all awards under the PSP on 24 August 2011 and awardholders received no value in return.

Joint Share Ownership Plan (JSOP)
The Trustee resolved to agree to the cancellation of all awards under the JSOP on 14 September 2011 and awardholders received no value in return.

Long Term Incentive Plan (LTIP)
The LTIP awards granted to Paul Hamer and David Wilton on 17 April 2009 have both lapsed with no part of the awards having vested.

Executive Director service agreements
All service agreements for the Executive Directors are terminable on 12 months' notice by either party. None of the Executive Director's service contracts contains provision for pre-determined compensation for loss of office.

As a condition of becoming a participant in the TIP, each of the Executive Directors agreed, by way of a deed of variation to their respective Service Agreements, to enter into new restrictive covenants extending the 'non compete' protections for the Company.

Non Executive Directors' appointments & remuneration
The Chairman and the Non Executive Directors do not have contracts of employment but are appointed by letter of appointment. Such appointments are initially for a three year term and are terminable on three months' notice by either party at any time. The remuneration of the Non Executive

Directors is determined by the Board within the limits set out in the Articles of Association. Save in the case of the one off award to Mike McTighe described above, Non Executive Directors are not eligible for pensions, share incentives or bonus payments.

						2012 12 months	2011 9 months
	Emoluments*	**Retention Incentive****	**Pension**	**Benefits in kind**	**Termination Payment**	**Total**	**Total**
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Executive Directors							
Paul Hamer	325	325	57	19	-	726	305
Sean Cummins	77	-	13	-	-	90	0
Graham Olver	235	225	39	2	-	501	200
David Wilton**	149	113	26	1	393	682	200
Non Executive Directors							
Mike McTighe	125	-	-	-	-	125	94
Robert Barr	35	-	-	-	-	35	26
David Jeffcoat	35	-	-	-	-	35	26

*Includes basic salary, car allowance in lieu of company car and fees to Non Executive Directors and compensation.

**As described in the letter from the Chairman of the Remuneration Committee, the Remuneration Committee awarded a one-off retention bonus representing one year's basic salary to each of Paul Hamer, David Wilton and Graham Olver. This was paid in quarterly instalments. Under the rules of the TIP, each of Messrs Hamer, Wilton and Olver reinvested 50% of the post tax retention bonus payments in the purchase of the Company's ordinary shares.

*** Following the termination of his employment with immediate effect on 17 November 2011, David Wilton was compensated in full in respect of all contractual entitlements due to him. He resigned as a member of the Board on 17 November 2011.

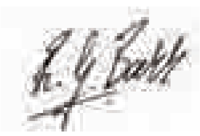
Directors' interests

As at 31 March 2012, the total beneficial, family and contingent interests of the Directors in the share capital of the Company were as follows:

At 31 March 2012	Beneficial shares Number	TIP
Paul Hamer	68,976	4,313,720
Sean Cummins	-	1,941,174
Graham Olver	47,664	1,941,174
Mike McTighe	200,000	1,362,743
David Jeffcoat	35,000*	-
Robert Barr	20,025*	-

*Messrs Mike McTighe, David Jeffcoat and Robert Barr subscribed for and, on 12 July 2011, were issued, in aggregate 255,000 new ordinary shares in the Placing at the Placing Price (as defined in the Circular).

On behalf of the Remuneration Committee



Robert Barr
Chairman of the Remuneration Committee
7 June 2012

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WYG PLC

We have audited the group and parent company financial statements (the "financial statements") of WYG plc for the year ended 31 March 2012 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Group and Parent Company Balance Sheets, the Consolidated Statement of Changes in Equity, the Group and Parent Company Cash Flow Statements and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 41 and 42 , 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2012 and of the group's profit and group's and parent company's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Randal Casson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors, Leeds
7 June 2012

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2012

	Note	2012 £'000	9 months to March 2011 £'000
Continuing operations			
Revenue	3	**139,864**	121,487
Operating expenses	4	**(125,647)**	(146,276)
Operating profit/(loss)	2	**14,217**	(24,789)
Finance costs	6	**(2,339)**	(3,857)
Profit/(loss) before tax		**11,878**	(28,646)
Taxation	7	**(490)**	473
Profit/(loss) attributable to equity shareholders		**11,388**	(28,173)
Profit/(loss) per share	8		
Basic		**13.4p**	(35.7p)
Diluted		**11.8p**	(35.7p)

The financial year was changed to 31 March in 2011 so the prior period reports nine months' results compared to the current year of twelve months. Operating profit for the current year includes a gain on debt restructuring of £49.7m and a number of other items (previously described as exceptional) that are separately disclosed in Note 2.The accompanying notes to the accounts are an integral part of this consolidated income statement.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2012

	2012 £'000	9 months to March 2011 £'000
Profit/(loss) attributable to equity shareholders	11,388	(28,173)
Other comprehensive (expenses)/income:		
Currency translation difference	**(811)**	**(336)**
Actuarial (losses)/gains on defined benefit pension schemes	**(340)**	**449**
Tax on items taken directly to equity	**153**	**(126)**
Other comprehensive expenses for the year/period	**(998)**	**(13)**
Total comprehensive income/(expenses) for the year/period	**10,390**	**(28,186)**

BALANCE SHEETS
As at 31 March 2012

		Group		Company	
	Note	**2012**	2011	**2012**	2011
		£'000	£'000	**£'000**	£'000
Non-current assets					
Goodwill	11	**11,645**	26,445	**-**	-
Other intangible assets	12	**5,708**	6,547	**-**	-
Property, plant and equipment	13	**3,206**	3,771	**-**	-
Investments	14	**-**	-	**52,834**	13,225
Deferred tax assets	15	**422**	375	**-**	-
		20,981	37,138	**52,834**	13,225
Current assets					
Work in progress	16	**27,066**	25,836	**-**	-
Trade and other receivables	17	**28,589**	30,192	**141**	49,044
Tax recoverable		**815**	291	**-**	-
Cash and cash equivalents		**24,280**	19,375	**359**	359
		80,750	75,694	**500**	49,403
Current liabilities					
Trade and other payables	18	**(50,984)**	(57,369)	**(21,237)**	(1,137)
Current tax liabilities		**(613)**	(456)	**-**	(218)
Financial liabilities	20	**(1,156)**	(156)	**-**	-
		(52,753)	(57,981)	**(21,237)**	(1,355)
Net current assets / (liabilities)		**27,997**	17,713	**(20,737)**	48,048
Non-current liabilities					
Financial liabilities	20	**(95)**	(48,430)	**-**	(48,260)
Retirement benefit obligation	30	**(2,770)**	(3,038)	**-**	-
Deferred tax liabilities	15	**(2,052)**	(2,275)	**-**	-
Derivative financial instruments	21	**-**	(545)	**-**	(545)
Provisions, liabilities and other charges	19	**(26,099)**	(27,183)	**-**	-
		(31,016)	(81,471)	**-**	(48,805)
Net assets / (liabilities)		**17,962**	(26,620)	**32,097**	12,468
Shareholders' equity					
Share capital	22	**70**	5,648	**70**	5,648
Share premium	23	**-**	42,214	**-**	42,214
Preference share capital	22	**-**	30,000	**-**	30,000
Merger reserve	23	**-**	6,284	**-**	-
Currency translation reserve	23	**2,186**	2,997	**13**	13
Retained earnings	23	**15,706**	(113,763)	**32,014**	(65,407)
Total shareholders' equity / (deficit)	24	**17,962**	(26,620)	**32,097**	12,468

The accompanying notes to the accounts are an integral part of these Balance Sheets. The accounts were approved by the Board of directors on 7 June 2012 and signed on its behalf by:


Paul Hamer


Sean Cummins

Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 March 2012

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Merger reserve £'000	Currency translation reserve £'000	Retained earnings £'000	Total £'000
Balance as at 1 July 2010	35,648	42,214	-	17,900	3,333	(97,971)	1,124
Loss for the period	-	-	-	-	-	(28,173)	(28,173)
Other comprehensive income:							
Currency translation differences	-	-	-	-	(336)	-	(336)
Actuarial movements on defined benefit pension schemes	-	-	-	-	-	449	449
Tax on items taken directly to equity	-	-	-	-	-	(126)	(126)
Other comprehensive income for the period	-	-	-	-	(336)	323	(13)
Total comprehensive income for the period	-	-	-	-	(336)	(27,850)	(28,186)
Share based payments charge	-	-	-	-	-	442	442
Transfers	-	-	-	(11,616)	-	11,616	-
Balance at 31 March 2011	35,648	42,214	-	6,284	2,997	(113,763)	(26,620)
Balance as at 1 April 2011	35,648	42,214	-	6,284	2,997	(113,763)	(26,620)
Profit for the year	-	-	-	-	-	11,388	11,388
Other comprehensive income:							
Currency translation differences	-	-	-	-	(811)	-	(811)
Actuarial movements on defined benefit pension schemes	-	-	-	-	-	(340)	(340)
Tax on items taken directly to equity	-	-	-	-	-	153	153
Other comprehensive income for the year	-	-	-	-	(811)	(187)	(998)
Total comprehensive income for the year	-	-	-	-	(811)	11,201	10,390
Share based payments charge	-	-	-	-	-	2,343	2,343
Issue of share capital	68	31,781	-	-	-	-	31,849
Transfers (note 22)	(35,646)	49,679	35,646	-	-	(49,679)	-
Merger reserve transfer	-	-	-	(6,284)	-	6,284	-
Capital reduction (note 22)	-	(123,674)	(35,646)	-	-	159,320	-
Balance at 31 March 2012	**70**	**-**	**-**	**-**	**2,186**	**15,706**	**17,962**

Details of the parent company statement of changes in shareholder equity are given in note 24.

CASH FLOW STATEMENTS

For the year ended 31 March 2012

		Group		Company	
		2012	9 months to March 2011	**2012**	9 months to March 2011
Non-current assets	Note	**£'000**	£'000	**£'000**	£'000
Operating activities					
Cash (used in)/generated from operations	25	**(23,917)**	7,806	**(31,882)**	2,374
Interest paid		**(1,622)**	(2,987)	**(346)**	-
Tax paid		**(787)**	(486)	**-**	-
Net cash (used in) / generated from operating activities		**(26,326)**	4,333	**(32,228)**	2,374
Investing activities					
Proceeds from disposal of business		**-**	3,705	**-**	-
Purchases of property, plant and equipment		**(1,368)**	(652)	**-**	-
Purchases of intangible assets (computer software)		**(583)**	(615)	**-**	-
Net cash (used in) / generated from investing activities		**(1,951)**	2,438	**-**	-
Financing activities					
Proceeds on issues of shares		**30,625**	-	**30,625**	-
Repayments of borrowings		**(2,630)**	(2,412)	**(2,603)**	(2,374)
Draw down of loan facilities		**4,206**	-	**4,206**	-
Repayments of obligations under finance leases		**(151)**	(415)	**-**	-
Net cash generated from / (used in) financing activities		**32,050**	(2,827)	**32,228**	(2,374)
Net increase in cash and cash equivalents		**3,773**	3,944	**-**	-
Cash and cash equivalents at beginning of year		**19,370**	15,426	**359**	359
Cash and cash equivalents at end of year	26	**23,143**	19,370	**359**	359

The accompanying notes to the accounts are an integral part of this cash flow statement.

NOTES TO THE ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), International Financial Reporting Interpretations Committee (IFRIC) interpretations endorsed by the European Union ('EU') and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The accounts have been prepared under the historical cost convention with the exception of certain items which are measured at fair value as disclosed in the principal accounting policies set out below. These policies have been consistently applied to all the years/ periods presented, unless otherwise stated.

The preparation of accounts in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The consolidated accounts incorporate the accounts of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March each year/period. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. Intra-group balances are eliminated on consolidation.

Capital restructuring

On 15 July 2011, the Company announced the completion of a major financial restructuring. This comprised:

- the placing ('Placing') of in aggregate 64,000,000 new ordinary shares at a price of 50 pence per new ordinary share with new institutional investors (equivalent to one pence per ordinary share on a pre share consolidation basis), raising gross proceeds of approximately £32 million (approximately £30 million net of expenses)
- the conversion of approximately £51 million of the Group's net debt (excluding certain restricted cash balances) into 4,540,758 convertible shares
- the redesignation of all of the preference shares held by the Group's Lenders and the Employee Benefit Trust with an aggregate nominal value of £30 million into 'C' deferred shares
- the provision by the Group's Lenders of revised bonding facilities in relation to those bonds in issue at completion of the Placing which are required as part of the Group's ongoing operations
- a share reorganisation such that each existing ordinary share of 10 pence each in the capital of the Company was sub-divided into one ordinary share of 0.002 pence each and one 'B' deferred share of 9.998 pence each in the capital of the Company
- a share consolidation undertaken on the basis of one post-consolidation ordinary share for every 50 existing ordinary shares.

As a consequence of the capital restructuring above, the Directors' latest financial projections demonstrate that the Company has sufficient cash resources for at least twelve months from the date of approval of these financial statements. On this basis, the Directors confirm their belief that it is appropriate to use the going concern basis of preparation for the Group financial statements.

Revenue recognition

Gross revenue represents the value of work earned during the year on contracts by reference to total contract value and stage of completion, including third party payments. Net revenue is stated after deducting third party payments on which the Group makes no margin.

Profit is recognised on a percentage completion basis when the outcome of a contract or project can be reasonably foreseen. Provision is made in full for estimated losses. Where the outcome of a contract cannot reasonably be foreseen, profit is taken on completion. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The Group employs the use of third party contractors on its projects but this is not considered a primary source of revenue. In accordance with IAS 18 these costs have been accounted as part of the cost of the projects. The Group has primary responsibility for the work carried out, including work done by subcontractors whose services would have no separate value without the existence of the project controlled by the Group. Since the Group is acting as principal it recognises revenue based on the gross amount received or receivable in respect of its performance under the sales contract with the end customer.

Third party payments represent costs incurred by the Group on behalf of clients which are invoiced at no margin. Progress payments receivable in excess of the value of work executed on individual contracts are included in trade and other payables.

Unbilled revenue

As described above revenue represents the value of work earned during the year by reference to the total contract value and stage of completion. Unbilled revenue is the difference between the revenue recognised and the amounts actually invoiced to customers. Where revenue exceeds the amount of invoicing, the excess is included within work-in-progress. Where invoicing exceeds the amount of revenue recognised these amounts are included in trade and other payables. When consumables are used, a charge is made to cost of sales.

Separately disclosed items

Items that are material and whose significance is sufficient to warrant separate disclosure and identification within the consolidated financial statements are included within separately disclosed items.

A number of the items included within separately disclosed items were previously disclosed as exceptional items in the prior period.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is recognised as an asset and tested for impairment at least annually by reference to the relevant cash-generating units ('CGU') and is carried at cost less accumulated impairment losses. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

Goodwill arising on acquisitions before the date of transition to IFRS has been retained at the previous UK GAAP amounts subject to being tested for impairment at that date. Goodwill written off to reserves under UK GAAP prior to 1998 has not been reinstated and is not included in determining any subsequent profit or loss on disposal.

Other intangible assets

Intangible assets purchased separately, such as software licences that do not form an integral part of related hardware, are capitalised at cost and amortised on a straight-line basis over their useful economic life. Intangible assets acquired through a business combination are initially measured at fair value and amortised on a straight-line basis over their useful economic lives. Fair value of the acquired intangible assets is calculated based on the estimated future benefits the Group will derive from the asset acquired, discounted at an appropriate Weighted

Average Cost of Capital (WACC). The useful economic lives used are as follows:

Computer software	-	3 to 5 years
Order books	-	1 to 4 years
Customer relationships	-	5 to 10 years

Impairment of assets
Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs) discounted at an appropriate rate.

Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation and any recognised impairment loss. The cost of an item of property, plant and equipment comprises its purchase price and any costs directly attributable to bring the asset into use. Borrowing costs related to the purchase of fixed assets are not capitalised.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives as follows:

Short leasehold improvements	-	equally over the life of the lease
Motor vehicles	-	30% per annum on net book value
Office furniture and equipment	-	20% to 33.3% per annum on original cost

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

Assets under construction are carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are ready for their intended use.

Leased assets
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Work in progress
Work in progress is stated at cost plus attributable profits less foreseeable losses and progress payments received and receivable. Cost comprises direct staff costs and attributable overheads. Attributable profit is that proportion of the total profit currently estimated to arise over the duration of a contract, as earned at the balance sheet date. Work-in-progress is recognised when projects are assessed for contract progress and the proportion of contract work completed at the balance sheet date is determined in relation to the total contract works. Appropriate provisions are made for slow moving and irrecoverable work-in-progress.

Cash and cash equivalents
Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short term highly liquid investments with a maturity of three months or less.

Tax
The tax expense represents the sum of the tax currently payable and deferred tax along with any adjustments to prior year estimates.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Foreign currency translation

Items included in the accounts of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated accounts are presented in Sterling, which is the Company's functional and presentation currency.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Gains and losses arising on retranslation are included in the income statement for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period unless exchange rates fluctuate significantly. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated in the Company's Balance Sheet at cost less any provision for impairment in value.

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

For defined benefit retirement benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with independent actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the period in which they occur. They are recognised outside the income statement and presented in the statement of comprehensive income and expense.

Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

Short term compensated absences

A liability for short term compensated absences, such as holiday, is recognised in trade and other payables for the amount the Group may be required to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

Segment reporting

During the period covered by this report, the Group managed its business primarily by reference to business segments. The four reported business segments are UK and Ireland, Middle East and North Africa (MENA), Eastern Europe (EE) and Rest of the World (RoW).

Share-based payments

The Group issues equity-settled payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

The fair value of share options is measured by use of an appropriate financial model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Financial instruments
Financial assets and financial liabilities are recognised on the Group's Balance Sheet when the Group becomes a party to the contractual provisions of the instrument.

Trade receivables
Trade receivables do not carry any interest and are stated at their amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. A provision for impairment is established where there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the income statement.

Bank borrowings
Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in the income statement and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade payables
Trade payables are not interest-bearing and are stated at their amortised cost.

Equity instruments
Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Equity instruments include preference shares issued as part of the capital restructuring since, in accordance with IAS 32, the Group has the contractual right to delay redemption indefinitely and has no contractual requirement to pay preference dividends.

Capital risk management
The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The key element of capital managed by the Group is its liquid cash resources and these are monitored on a daily basis.

The Group is subject to a number of restrictions from its lenders as to the amounts of cash that are held in certain jurisdictions and outside the security of the lender group.

Dividend distribution
Dividend distribution to the Company's shareholders is recognised as a liability in the Group's accounts in the period in which the dividends are approved by the Company's shareholders.

Project claims
Project claims can be made as a consequence of disputes or shortcomings in project delivery and could impact upon the results of the Group. It is embedded in the Group's culture that client relationships are developed so as to ensure client satisfaction. However, it is recognised that project claims are possible, and that these risks cannot completely be eliminated. In the event that such claims arise, in common with others operating in the sector, the Group has established professional indemnity insurance policies that are intended to protect against significant losses.

Significant judgements and key sources of estimation uncertainty
The preparation of the accounts requires the Group to make estimates, judgements and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities.

The Directors base their estimates on historical experience and various other assumptions that they believe are reasonable under the circumstances, the results of which form the basis for making judgements about the carrying value of the assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Areas of judgement and sources of estimation uncertainty that have the most significant effect on the amounts recognised in the financial statements are:

- Revenue recognition and the assessment of the percentage of contract completion achieved. The Group assesses contract progress and determines the proportion of contract work completed at the balance sheet date in relation to the total contract works
- Review of asset carrying values and impairment charges. The Group performs impairment testing in accordance with the accounting policy described within the significant accounting policies in the notes to the accounts. The calculation of recoverable amounts requires the use of estimates and assumptions consistent with the most recent budgets and plans that have been formally approved by management (see notes 11 and 14)

- Professional indemnity insurance. The Group operates a captive insurance company in the UK called Oakdale Insurance Company Limited. This company provides reinsurance exclusively to certain companies within the Group. Provision is made on an assessment of claims and necessarily includes estimates as to the likely costs . An actuarial review of claims is performed annually. To the extent that actual claims differ from those projected, the provisions could vary significantly (see note 19)
- For all defined benefit pension schemes, pension valuations have been performed using specialist advice obtained from independent qualified actuaries. Furthermore, the Group has performed a valuation of the potential outstanding liabilities and legal costs associated with the 1986 Scheme which is wound up and closed to future accruals. In performing these valuations, judgements, assumptions and estimates have been made. The assumptions made have been disclosed in note 31
- Work in progress and receivables valuation. The Group assess work in progress and trade receivables for exposure to losses. Provision is made in full for estimated losses.

New IFRS Standards and Interpretations not applied

The IASB and IFRIC have issued additional standards and interpretations which are effective for periods starting after the date of these financial statements.

The Directors anticipate that the adoption of the following standards and interpretations will have no material impact on the Group's financial statements:

- IAS 12 'Income taxes - amendment', issued in December 2010, is effective for periods commencing on or after 1 January 2012 but not yet endorsed by the EU
- IFRS 7 'Financial Instruments - amendment', issued in October 2010, is effective for periods commencing on or after 1 July 2011 and endorsed by the EU on 23 November 2011
- IFRS 10 'Consolidated financial standards', issued in May 2011, is effective for periods commencing on or after 1 January 2013 but has not yet been endorsed by the EU
- IAS 27 'Separate financial statements - revised', issued in May 2011, is effective for periods ending on or after 1 January 2013 but has not yet been endorsed by the EU
- IFRS 9, 'Financial instruments', issued in October 2010. This addresses the classification and measurement of financial assets but will mainly affect financial institutions. The standard is not applicable until 1 January 2015 and has not yet been endorsed by the EU.

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 April 2011 and have not been early adopted by the Group:

- IFRS 11 'Joint arrangements' issued in May 2011, is effective for periods commencing on or after 1 January 2013 but has not yet been endorsed by the EU
- IAS 28 'Investments in associates and joint ventures - revised', issued in May 2011, is effective for periods commencing on or after 1 January 2013 but has not yet been endorsed by the EU
- IFRS 13 ' Fair value measurement' issued in May 2011, is effective for periods commencing on or after 1 January 2013 but has not yet been endorsed by the EU
- IFRS 1 'First time Adoption - amendment', issued in December 2010, is effective for periods commencing on or after 1 July 2011 but has not yet been endorsed by the EU
- IAS 19 'Employee benefits', issued in June 2011, is effective for periods commencing on or after 1 July 2012 but has not yet been endorsed by the EU
- IAS 1 ' Financial statement presentation' regarding other comprehensive income, issued in June 2011, effective for periods commencing 1 July 2012 but has not yet been endorsed by the EU
- IFRS 12 'Disclosures of interests in other entities', issued May 2011, effective for periods commencing 1 January 2013.

The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 April 2011, but are not relevant to the Group:

- IAS 24 'Related Party Disclosures – amendment', issued in November 2009, is effective for periods commencing on or after 1 January 2011 and was endorsed by the EU on 19 July 2010
- IFRIC 14 'Prepayments of a Minimum Funding Requirement – amendment', issued in November 2009, is effective for periods commencing on or after 1 January 2011 and was endorsed by the EU on 19 July 2010
- 'Improvements to IFRS (2010)', issued May 2010, is effected for periods commencing on or after 1 January 2011 and was endorsed by the EU on 18 February 2011.

The various other minor amendments to existing standards have no impact on the Group's results at 31 March 2012.

2. DETAILED CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2012

	Before separately disclosed items	**Separately disclosed items**	**Total**	Before separately disclosed items	Separately disclosed items	Total
	2012	**2012**	**2012**	9 months to March 2011	9 months to March 2011	9 months to March 2011
	£'000	**£'000**	**£'000**	£'000	£'000	£'000
Gross revenue	**139,864**	**-**	**139,864**	121,487	-	121,487
Net revenue	**123,436**	**-**	**123,436**	106,734	-	106,734
Operating profit/(loss)	**(3,467)**	**17,684**	**14,217**	140	(24,929)	(24,789)

Details of separately disclosed items:

	2012	2011
	£'000	£'000
Employee termination costs	**(3,435)**	(4,595)
Office closure costs	**(5,374)**	(4,887)
Impairment of goodwill	**(14,800)**	(12,143)
Gain on debt restructuring	**49,679**	-
Loss on disposal of business	**-**	(1,095)
Other restructuring costs	**(611)**	(881)
Transaction costs	**(5,165)**	-
Share option costs	**(1,658)**	(442)
Amortisation of acquired intangible assets	**(952)**	(886)
Separately disclosed items	**17,684**	(24,929)

The Group has incurred a number of material items in the year, whose significance is sufficient to warrant separate disclosure. The key elements included within separately disclosed items are:

- Employee termination, office closure costs and other restructuring costs incurred as a result of the ongoing restructure of the Group
- Impairment of goodwill; the Group has reviewed the value of goodwill arising on past acquisitions. Following this review the group has impaired the value of goodwill carried on its balance sheet
- Gain arising on the debt restructuring
- Transaction costs in relation to the debt restructuring
- Annual charge in relation to share option costs
- Annual charge for the amortisation of acquired intangibles

3. SEGMENTAL INFORMATION

Business segments

IFRS 8 requires segment reporting to be based on the internal financial information reported to the chief operating decision maker. The Group's chief operating decision maker is deemed to be the senior management team comprising Paul Hamer (Chief Executive Officer), Sean Cummins (Group Finance Director) and Graham Olver (Chief Operating Officer). Its primary responsibility is to manage the Group's day to day operations and analyse trading performance. The Group's segments are detailed below and are those segments reported in the Group's management accounts used by the senior management team as the primary means for analysing trading performance and allocating resources. The Executive Committee assesses profit performance using operating profit measured on a basis consistent with the disclosure in the Group accounts.

The Group's operations are managed and reported by key market segments. These have changed from the prior period and are now reported as follows:

UK and Ireland
MENA
EE
ROW

The results for the period ended March 2011 have been restated to reflect this market segment analysis.

The segment results for the year ended 31 March 2012 are as follows:

	UK & Ireland 2012 £'000	EE 2012 £'000	MENA 2012 £'000	ROW 2012 £'000	Group 2012 £'000
Revenue					
Gross revenue	80,121	43,848	15,333	1,788	**141,090**
Inter-segment	(1,226)	-	-	-	**(1,226)**
External gross revenue	78,895	43,848	15,333	1,788	**139,864**
Net revenue	66,133	41,211	14,412	1,680	**123,436**
Operating (loss)/profit excluding separately disclosed items	(4,740)	1,462	136	(325)	**(3,467)**
Separately disclosed items (note 2)	(31,368)	(294)	(272)	(61)	**(31,995)**
Gain on debt restructuring	-	-	-	-	**49,679**
Operating (loss)/profit	(36,108)	1,168	(136)	(386)	**14,217**
Finance costs					**(2,339)**
Profit before tax					**11,878**
Tax					**(490)**
Profit attributable to equity shareholders					**11,388**
Other information					
Additions to property, plant and equipment and intangible assets	1,741	165	45	-	**1,951**
Depreciation and amortisation	2,556	278	76	-	**2,910**

3. SEGMENTAL INFORMATION CONTINUED

	UK & Ireland 2012 £'000	EE 2012 £'000	MENA 2012 £'000	ROW 2012 £'000	Group 2012 £'000
Balance sheet					
Assets					
Segment assets	43,999	23,224	8,071	919	**76,213**
Unallocated corporate assets					**25,518**
Group total assets					**101,731**
Liabilities					
Segment liabilities	43,476	24,165	8,451	985	**77,077**
Unallocated corporate liabilities					**6,692**
Group total liabilities					**83,769**

Unallocated corporate assets represent cash and cash equivalents, tax recoverable and deferred tax assets.
Unallocated corporate liabilities represent bank overdrafts and loans, retirement benefit obligations, corporation tax, derivative financial instruments and deferred tax liabilities.

3. SEGMENTAL INFORMATION CONTINUED

The segment results for the 9 months ended 31 March 2011 are as follows:

	UK & Ireland 2011 £'000	EE 2011 £'000	MENA 2011 £'000	ROW 2011 £'000	Group 2011 £'000
Revenue					
Gross revenue	78,445	33,248	8,747	1,589	**122,029**
Inter-segment	(542)	-	-	-	**(542)**
External gross revenue	77,903	33,248	8,747	1,589	**121,487**
Net revenue	66,746	30,504	8,026	1,458	**106,734**
Operating (loss)/profit excluding separately disclosed items	(1,548)	1,398	145	145	**140**
Separately disclosed items (note 2)	(24,665)	(206)	(57)	(1)	**(24,929)**
Operating (loss)/profit	(26,213)	1,192	88	144	**(24,789)**
Finance costs					**(3,857)**
Loss before tax					**(28,646)**
Tax					**473**
Loss attributable to equity shareholders					**(28,173)**
Other information					
Additions to property, plant and equipment and intangible assets	1,064	167	36	-	**1,267**
Depreciation and amortisation	2,581	320	69	-	**2,970**

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3. SEGMENTAL INFORMATION CONTINUED

	UK & Ireland Restated 2011 £'000	EE Restated 2011 £'000	MENA Restated 2011 £'000	ROW Restated 2011 £'000	Group Restated 2011 £'000
Balance sheet					
Assets					
Segment assets	60,191	24,929	6,520	1,151	**92,791**
Unallocated corporate assets					**20,041**
Group total assets					**112,832**
Liabilities					
Segment liabilities	54,219	23,140	6,088	1,105	**84,552**
Unallocated corporate liabilities					**54,900**
Group total liabilities					**139,452**

Unallocated corporate assets represent cash and cash equivalents, tax recoverable and deferred tax assets.
Unallocated corporate liabilities represent bank overdrafts and loans, retirement benefit obligations, corporation tax, derivative financial instruments and deferred tax liabilities.

4. OPERATING EXPENSES

	2012 £'000	2011 £'000
Staff costs (Note 5)	**60,748**	53,472
Other external and operating charges including redundancy costs (see note 2)	**61,989**	89,834
Depreciation	**1,521**	1,509
Amortisation of intangible assets	**1,389**	1,461
	125,647	146,276

Operating profit/(loss) has been arrived at after charging/(crediting):

	2012 £'000	2011 £'000
Depreciation of property, plant and equipment	**1,521**	1,509
Amortisation of intangible assets	**1,389**	1,461
Impairment of goodwill	**14,800**	12,143
Loss on disposal of property, plant and equipment	**374**	497
Gain on debt restructuring	**(49,679)**	-
Operating lease rentals – plant and machinery	**1,399**	1,484
Operating lease rentals – other	**4,761**	5,965

During the year, the Group obtained the following services from the Company's auditors:

	2012 £'000	2011 £'000
Fees payable to the Company's auditors for the audit of the parent company and consolidated accounts	**20**	20
Fees payable to the Company's auditors and its associates for other services:		
The audit of the Company's subsidiaries pursuant to legislation	**185**	182
Corporate finance services	**595**	28
Tax services	**168**	91
	968	321

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5. STAFF COSTS

The average monthly number of employees was:

	Group	
	2012 Number	2011 Number
Technical	**1,106**	1,399
Administrative	**364**	379
	1,470	1,778

The actual number of employees at 31 March was:

	Group	
	2012 Number	2011 Number
Technical	**1,051**	1,233
Administrative	**274**	354
	1,325	1,587

Their aggregate remuneration comprised:

	£'000	£'000
	48,673	44,833
Social security costs	**6,564**	5,974
Pension costs	**3,026**	2,223
Share option costs	**2,485**	442
	60,748	53,472

In addition to the above permanent staff, the Group utilises the services of agency and temporary contract staff as circumstances require.

Details of Directors' remuneration are given in the Directors' Remuneration Report. Only the information included within the Directors' remuneration table on page 51 consisting of the emoluments, pension and benefits in kind has been audited.

The Directors have identified 21 (2011: 18) and for the Company 3 (2011: 3) key management personnel who are the three executive directors and senior operational management of the wider Group whose compensation was as follows:

	Group	
	2012 Number	2011 Number
Short term employment benefits	**2,869**	1,927
Post employment benefits	**201**	227
	3,070	2,154

The share option costs of £2,485,000 in the year all relate to the key management personnel.

6. FINANCE COSTS

	2012 £'000	2011 £'000
Interest on bank loans, guarantees and overdrafts	**820**	3,244
Interest on obligations under finance leases	**1**	10
Interest on bonds	**995**	540
Interest on defined benefit scheme liabilities	**369**	277
Fair value losses/(gains) on financial instruments – interest rate swaps	**154**	(214)
	2,339	3,857

7. TAX

	2012 £'000	2011 £'000
Current tax:		
Overseas tax on profits for the period	**760**	844
	760	844
Deferred tax:		
Movement in deferred tax	**(270)**	(1,317)
	490	(473)
Tax on items charged to equity:		
Deferred tax charge related to the actuarial gains and losses on retirement benefit schemes	**153**	(126)
	153	(126)

Tax for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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7. TAX CONTINUED

Factors affecting the current tax charge for the period

The tax charge/(credit) for the period is lower (2011: lower) than the standard rate of corporation tax in the UK when applied to reported loss. The differences are explained below:

	2012 £'000	2011 £'000
Profit/(loss) before tax	**11,878**	(28,646)
Profit/(loss) before tax multiplied by the standard rate of UK corporation tax rate of 26% (nine months ended 31 March 2011: 28%)	**3,088**	(8,021)
Enhanced expenditure	**(130)**	(84)
Fixed asset timing differences	**(602)**	(430)
Losses carried forward	**5,023**	3,492
Other permanent and temporary differences	**(6,742)**	5,086
Foreign taxes charged to the Income Statement	**461**	292
Effect of different tax rates of subsidiaries operating in other jurisdictions	**(338)**	509
Total current tax charge	**760**	844
Current year deferred tax – on amortisation of acquired intangibles	**(92)**	(1,310)
Current year deferred tax – other	**69**	33
Exchange differences	**-**	(11)
Effect of change in tax rate	**(247)**	(29)
Total tax charge/(credit)	**490**	(473)

A number of changes to the UK Corporation tax system were announced in the March 2011 budget statement to reduce the main rate of corporation tax from 28 per cent to a proposed rate of 23 per cent by 1 April 2014. Legislation reducing the main rate of corporation tax from 28 per cent to 26 per cent from 1 April 2011 was enacted by 29 March 2011 and legislation reducing the main rate of corporation tax to 25% from 1 April 2012 was enacted on 5 July 2011. The proposed further reductions of the main rate of corporation tax by 1 per cent per year to 23 per cent by 1 April 2014 are expected to be enacted separately each year.

The changes to the corporation tax rates would not have a material impact on the deferred tax assets and liabilities held on the balance sheet.

8. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the following data:

	2012 £'000	2011 Restated £'000
Earnings for the purposes of basic and diluted earnings per share being profit/(loss) for the period	**11,388**	(28,173)
Adjustment relating to separately disclosed items (see note 2)	**(17,684)**	24,929
Earnings for the purposes of basic and diluted adjusted earnings per share	**(6,296)**	(3,244)

	2012 Number	2011 Number
Number of shares		
Weighted average number of shares for basic earnings per share	**84,811,013**	78,977,105
Effect of dilutive potential ordinary shares:		
Convertible shares	**3,262,894**	-
Share options	**8,634,913**	-
Weighted average number of shares for diluted earnings per share	**96,708,820**	78,977,105
Earnings/(loss) per share		
Basic	**13.4p**	(35.7p)
Diluted	**11.8p**	(35.7p)
Adjusted loss per share		
Basic	**(7.4p)**	(5.9p)
Diluted	**(6.5p)**	(5.9p)

Following the share reorganisation the number of ordinary shares in issue for EPS purposes was 64,533,158. This number of shares if applied to the results for the twelve months ended 31 March 2012 would give an EPS of 17.6p and an adjusted loss per share of 9.8p.

9. DIVIDENDS

There were no dividends paid or proposed in the prior period or in the year ended 31 March 2012.

10. HOLDING COMPANY INCOME STATEMENT

The Directors have taken advantage of Section 408 of the Companies Act 2006 and have not prepared a separate income statement or statement of comprehensive income for the Company. The consolidated loss attributable to equity shareholders includes a loss of £14,563,000 (2011: £28,695,000 loss) attributable to the Company.

11. GOODWILL

	£'000
Cost	
At 1 July 2010	120,934
Disposal of business	(12,034)
Adjustment to deferred consideration	(192)
At 31 March 2011, 31 March 2012	**108,708**
Accumulated impairment losses	
At 1 July 2010	(84,104)
Transfer of impairment provision	1,950
Disposal of business	12,034
Impairment charge	(12,143)
At 31 March 2011	**(82,263)**
Impairment charge	(14,800)
Accumulated impairment losses at 31 March 2012	**(97,063)**
Net book value	
At 31 March 2012	**11,645**
At 31 March 2011	26,445

Goodwill is tested for impairment annually and whenever there are indications that it may have suffered an impairment. Goodwill is considered impaired to the extent that its carrying amount exceeds its recoverable amount, which is the higher of the value in use and the fair value less costs to sell of the cash generating unit (CGU) to which it is allocated. In the impairment tests of goodwill performed, the recoverable amount was determined based on the value in use calculations.

The value in use calculations are based on cash flow forecasts derived from the most recent two year financial plans approved by the Board.

Cash flows for the periods beyond the two year financial plans for the CGUs to which significant amounts of goodwill were allocated were calculated as follows: cash flows from years three and thereafter were projected to remain constant per annum so prudently not exceeding the long term growth rates in the principal end markets in the UK, Republic of Ireland and Europe.

Discount rates were applied to the resulting cash flow projections that reflect current market assessments of the time. Pre tax discount rates used in the annual impairment were 14%.

During the financial period, impairments totalling £14.8m were recognised in relation to the goodwill allocated to the UK following continued restructuring in those business segments.

Management has assessed the sensitivity of the recoverable amounts to key assumptions to be as follows: a one percentage point increase in the pre –tax discount rate of 14% would reduce the recoverable amount by £1,008,000; a one percentage point fall in operating margin across the CGUs would reduce the recoverable amount by £5,000,000; and a one percentage point fall in the assumed long term growth rate of 0% would reduce the recoverable amount by £1,325,000.

The remaining carrying values of goodwill relate to UK & Ireland.

12. OTHER INTANGIBLE ASSETS

	Order books £'000	Customer relationships £'000	Total acquired intangibles £'000	Computer software £'000	Total £'000
Cost					
At 1 July 2010	6,335	14,858	21,193	4,184	25,377
Additions	-	-	-	615	615
Reclassifications	-	-	-	127	127
Exchange differences	145	126	271	99	370
Amounts on disposal of business	(1,045)	(2,148)	(3,193)	(200)	(3,393)
Disposals	-	-	-	(1,061)	(1,061)
At 31 March 2011	5,435	12,836	18,271	3,764	22,035
Additions	-	-	-	583	583
Exchange differences	(123)	(106)	(229)	(100)	(329)
Disposals	-	-	-	(134)	(134)
At 31 March 2012	**5,312**	**12,730**	**18,042**	**4,113**	**22,155**
Amortisation					
At 1 July 2010	6,335	5,285	11,620	3,396	15,016
Transfer of impairment provision	-	1,950	1,950	-	1,950
Charge for the period	-	886	886	575	1,461
Exchange differences	145	50	195	75	270
Amounts on disposal of business	(1,045)	(931)	(1,976)	(178)	(2,154)
Disposals	-	-	-	(1,055)	(1,055)
At 31 March 2011	5,435	7,240	12,675	2,813	15,488
Charge for the period	-	952	952	437	1,389
Exchange differences	(123)	(104)	(227)	(89)	(316)
Disposals	-	-	-	(114)	(114)
At 31 March 2012	**5,312**	**8,088**	**13,400**	**3,047**	**16,447**
Net book value					
At 31 March 2012	**-**	**4,642**	**4,642**	**1,066**	**5,708**
At 31 March 2011	-	5,596	5,596	951	6,547
At 30 June 2010	-	9,573	9,573	788	10,361

12. OTHER INTANGIBLE ASSETS CONTINUED

Where appropriate, intangible assets identified in business combinations have been recognised in accordance with the provisions of IFRS 3 (Business combinations) and IAS 38 (Intangible assets). Intangible assets have only been recognised where they have identifiable future economic benefits that are controlled by the entity, it is probable that these benefits will flow to the entity and their fair value can be measured reliably.

The useful lives for the intangible assets acquired during the period were assessed to be as follows:

Computer software	–	3 to 5 years
Order books	–	1 to 4 years
Customer relationships	–	5 to 10 years

There were no intangible assets in the Company (2011: nil).

13. PROPERTY, PLANT AND EQUIPMENT

	Short leasehold improvements £'000	Motor vehicles £'000	Office furniture and equipment £'000	Total £'000
Cost				
At 1 July 2010	11,120	787	12,992	24,899
Additions	155	51	446	652
Exchange differences	44	53	324	421
Amounts on disposal of business	-	13	(140)	(127)
Reclassifications	(1,582)	-	(422)	(2,004)
Disposals	(4,506)	(109)	(5,549)	(10,164)
At 31 March 2011	5,231	795	7,651	13,677
Additions	732	44	592	1,368
Exchange differences	(36)	(51)	(281)	(368)
Disposals	(724)	(31)	(2,312)	(3,067)
At 31 March 2012	**5,203**	**757**	**5,650**	**11,610**
Accumulated depreciation				
At 1 July 2010	7,089	572	10,962	18,623
Charge for the period	678	79	752	1,509
Exchange differences	41	38	266	345
Reclassifications	-	10	(10)	-
Amounts on disposal of business	(547)	-	(357)	(904)
Disposals	(4,111)	(94)	(5,462)	(9,667)
At 31 March 2011	3,150	605	6,151	9,906
Charge for the period	636	86	799	1,521
Exchange differences	(34)	(38)	(238)	(310)
Disposals	(467)	(22)	(2,224)	(2,713)
At 31 March 2012	**3,285**	**631**	**4,488**	**8,404**
Net book value				
At 31 March 2012	**1,918**	**126**	**1,162**	**3,206**
At 31 March 2011	2,081	190	1,500	3,771
At 30 June 2010	4,031	215	2,030	6,276

13. PROPERTY, PLANT AND EQUIPMENT CONTINUED

The net book value of the Group's property, plant and equipment includes an amount of £ 137,000 (2011: £200,155) in respect of assets held under finance leases. Depreciation charged in the period on these assets amounted to £63,000 (2011: £391,882).

The Company had no property, plant and equipment at either year end.

14. INVESTMENTS

On 30 March 2012 the Group underwent an internal balance sheet restructuring which resulted in an increase to investments in the Company of £100,609,000. Following this, the carrying value of the Company's investments in relation to their underlying net assets was reviewed. The resulting impairment was £61,000,000 (2011: £28,917,000) all of which was applied to the investments below.

	Company investment in subsidiary undertakings		
	Cost £'000	Provision £'000	Value £'000
At 1 July 2010	61,187	(19,045)	42,142
Impairment	-	(28,917)	(28,917)
At 31 March 2011	61,187	(47,962)	13,225
Balance sheet restructuring	100,609	-	100,609
Impairment	-	(61,000)	(61,000)
At 31 March 2012	**161,796**	**(108,962)**	**52,834**

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The Group's principal subsidiaries are:

Subsidiary	**Country of incorporation**	**Activity**
WYG Group Limited	England and Wales	Multi-disciplinary consultants
WYG Engineering Limited	England and Wales	Engineering consultants
WYG Environment Planning Transport Limited	England and Wales	Multi-disciplinary consultants
WYG Management Services Limited	England and Wales	Multi-disciplinary consultants
WYG International Limited	England and Wales	Multi-disciplinary consultants
WYG Ireland Limited	Republic of Ireland	Multi-disciplinary consultants
WYG Environment and Planning (Ireland) Limited	Republic of Ireland	Multi-disciplinary consultants
WYG Nolan Ryan Tweeds Limited	Republic of Ireland	Multi-disciplinary consultants
WYG Engineering (Ireland) Limited	Republic of Ireland	Multi-disciplinary consultants
WYG Engineering (NI) Limited	Northern Ireland	Multi-disciplinary consultants
WYG Environmental & Planning (NI) Limited	Northern Ireland	Multi-disciplinary consultants
WYG Management Services (NI) Limited	Northern Ireland	Multi-disciplinary consultants
WYG International Danismanlik Limited Sirketi	Turkey	Multi-disciplinary consultants
WYG International Sp.z.o.o.	Poland	Multi-disciplinary consultants
Oakdale Insurance Company Limited	Guernsey	Insurance company

The investments in all of the above companies (excluding WYG Group Limited and Oakdale Insurance Company Limited, which are held directly) are held through subsidiary undertakings.

15. DEFERRED TAX

The following are the principal deferred tax assets and liabilities recognised by the Group and movements thereon during the current year and prior period:

	Accelerated tax depreciation £'000	Share -based payments £'000	Tax deductible goodwill £'000	Retirement benefit obligations £'000	Intangible assets £'000	Other temporary differences £'000	Losses £'000	Deferred tax assets not recognised £'000	Total £'000
Deferred tax asset at 1 July 2010	535	91	-	1,083	-	481	11,627	(13,558)	259
Deferred tax liability at 1 July 2010	-	-	(337)	-	(2,764)	(375)	-	-	(3,476)
Credit / (charge) to income	2,255	120	(41)	(107)	1,310	(463)	689	(2,486)	1,277
Charge to equity	-	-	-	(126)	-	-	-	126	-
Exchange differences	-	-	-	-	-	35	(24)	-	11
Effect of change in tax rates	(196)	(15)	27	(61)	-	(8)	(673)	955	29
As at 31 March 2011	2,594	196	(351)	789	(1,454)	(330)	11,619	(14,963)	(1,900)
Deferred tax asset at 1 April 2011	2,594	196	-	789	-	140	11,619	(14,963)	375
Deferred tax liability at 1 April 2011	-	-	(351)	-	(1,454)	(470)	-	-	(2,275)
(Charge)/ credit to income	(372)	436	1,206	(155)	92	(514)	5,884	(6,554)	23
Charge to equity	-	-	-	85	-	-	-	(85)	-
Effect of change in tax rates	(168)	(49)	(66)	(54)	248	(7)	(541)	884	247
As at 31 March 2012	**2,054**	**583**	**789**	**665**	**(1,114)**	**(851)**	**16,962**	**(20,718)**	**(1,630)**

15. DEFERRED TAX CONTINUED

	Accelerated tax depreciation £'000	Share-based payments £'000	Tax deductible goodwill £'000	Retirement benefit obligations £'000	Intangible assets £'000	Other temporary differences £'000	Losses £'000	Deferred tax assets not recognised £'000	Total £'000
Deferred tax asset at 31 March 2012	**2,054**	**583**	**789**	**665**	**-**	**87**	**16,962**	**(20,718)**	**422**
Deferred tax liability at 31 March 2012	**-**	**-**	**-**	**-**	**(1,114)**	**(938)**	**-**	**-**	**(2,052)**
	2,054	**583**	**789**	**665**	**(1,114)**	**(851)**	**16,962**	**(20,718)**	**(1,630)**

Deferred tax assets have been recognised in respect of any significant temporary differences giving rise to deferred tax assets where it is probable that these assets will be recovered in the foreseeable future.

The Company had no deferred tax assets or liabilities at either year end.

16. WORK IN PROGRESS

	Group		Company	
	2012 £'000	2011 £'000	**2012 £'000**	2011 £'000
Work-in-progress	**29,236**	32,366	**-**	-
Provision	**(2,170)**	(6,530)	**-**	-
Net work-in-progress	**27,066**	25,836	**-**	-

The value of work in progress comprises the costs incurred on a contract plus an appropriate proportion of overheads and attributable profit. Profit is recognised on a percentage completion basis when the outcome of a contract or project can be reasonably foreseen. Provision is made in full for estimated losses.

17. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2012	2011	**2012**	2011
	£'000	£'000	**£'000**	£'000
Amounts falling due within one year				
Amounts receivable on contracts	**29,808**	32,721	**-**	-
Less: provision for impairment of trade receivables	**(4,791)**	(7,331)	**-**	-
Trade receivables – net	**25,017**	25,390	**-**	-
Prepayments and accrued income	**1,774**	3,731	**-**	-
Amounts owed by subsidiary undertakings	**-**	-	**141**	49,044
Other receivables	**1,798**	1,071	**-**	-
	28,589	30,192	**141**	49,044

At 31 March 2012 trade receivables of £5,263,000 (2011: £8,799,000) were considered for potential impairment. The amount provided for these balances was £4,791,000 (2011: £7,331,000). The allocation of the provision according to invoice due date is as follows:

	Group		Company	
	2012	2011	**2012**	2011
	£'000	£'000	**£'000**	£'000
Between 0 and 30 days	**-**	-	**-**	-
Between 31 and 60 days	**325**	53	**-**	-
Between 61 and 120 days	**205**	363	**-**	-
Between 121 and 150 days	**128**	204	**-**	-
Between 151 and 330 days	**172**	163	**-**	-
Greater than 330 days	**3,961**	6,548	**-**	-
	4,791	7,331	**-**	-

At 31 March 2012 trade receivables of £4.5m (2011: £9.9m) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of non-payment. The ageing analysis of these trade receivables according to invoice due date is as follows:

	Group		Company	
	2012	2011	**2012**	2011
	£'000	£'000	**£'000**	£'000
Between 0 and 30 days	**2,933**	4,758	**-**	-
Between 31 and 60 days	**410**	1,720	**-**	-
Between 61 and 120 days	**292**	887	**-**	-
Between 121 and 150 days	**335**	644	**-**	-
Between 151 and 330 days	**129**	607	**-**	-
Greater than 330 days	**432**	1,286	**-**	-
	4,531	9,902	**-**	-

17. TRADE AND OTHER RECEIVABLES CONTINUED

At 31 March 2012 trade receivables of £20.5m (2011: £15.5m) were neither past due nor impaired.

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

	Group		Company	
	2012	2011	**2012**	2011
	£'000	£'000	**£'000**	£'000
Sterling	**15,230**	19,013	**-**	-
Euro	**12,106**	11,425	**-**	-
Polish Zloty	**1,890**	1,195	**-**	-
Other	**582**	1,088	**-**	-
	29,808	32,721	**-**	-

Movements on the Group provision for impairment of trade are as follows:

	Group		Company	
	2012	2011	**2012**	2011
	£'000	£'000	**£'000**	£'000
At 1 April, 1 July	**7,331**	10,253	**-**	-
Provision for receivables impairment	**435**	1,203	**-**	-
Utilised in the period	**(2,811)**	(4,509)	**-**	-
Exchange differences	**(164)**	384	**-**	-
As at 31 March	**4,791**	7,331	**-**	-

The creation and release of provision for impaired receivables have been included in operating expenses in the income statement.
The other classes within trade and other receivables do not contain impaired assets. There is no material difference between the carrying value and the fair value of financial assets and financial liabilities at the balance sheet date.
The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

18. TRADE AND OTHER PAYABLES

	Group		Company	
	2012	2011	**2012**	2011
	£'000	£'000	**£'000**	£'000
Current				
Trade payables	**9,461**	10,123	**-**	**-**
Payments received on account	**20,100**	25,302	**-**	-
Social security and other taxes	**3,316**	4,854	**-**	-
Accruals and other payables	**18,107**	17,090	**21,237**	1,137
	50,984	57,369	**21,237**	1,137

Included in Payments received on account are £15.3m (2011: £19.2m) of amounts which are secured with an advance payment bond.

19. PROVISIONS, LIABILITIES AND OTHER CHARGES

	Claims £'000	Redundancy £'000	Vacant leasehold properties £'000	Total £'000
At 30 June 2010	9,084	1,850	15,344	26,278
Additional provisions	613	4,595	6,532	11,740
Utilised during the period	(1,601)	(5,282)	(3,952)	(10,835)
At 31 March 2011	8,096	1,163	17,924	27,183
Additional provisions	1,029	3,435	5,374	9,838
Reclassified	-	-	(407)	(407)
Utilised during the period	(2,111)	(2,990)	(5,007)	(10,108)
Exchange impact	-	(25)	(382)	(407)
At 31 March 2012	**7,014**	**1,583**	**17,502**	**26,099**

Claims

Provisions are made for current and estimated obligations in respect of claims made by contractors and the general public relating to accident and other insurable risks arising as a result of the business activities of the Group. These include claims payable by the Group's captive insurance company, Oakdale Insurance Company Limited.

Redundancy

Provision is made for current estimated future costs of redundancy and ex gratia payments to be made where this has been communicated to those employees concerned.

Vacant leasehold properties

The Group has a number of vacant leasehold properties, the majority of which are held under head leases expiring within the next five years. Provision has been made for the residual lease commitments together with other outgoings, after taking into account assumptions relating to later periods of vacancy.

20. FINANCIAL LIABILITIES

	Group		Company	
	2012	2011	**2012**	2011
	£'000	£'000	**£'000**	£'000
Current				
Bank overdrafts	**1,137**	5	**-**	-
Obligations under finance leases	**19**	151	**-**	-
	1,156	156	**-**	-
Non-current				
Bank loans	**95**	48,411	**-**	48,260
Obligations under finance leases	**-**	19	**-**	-
	95	48,430	**-**	48,260
Financial liabilities are repayable as follows:				
On demand or within one year	**1,156**	156	**-**	-
In the second year	**95**	48,430	**-**	48,260
In the third to fifth years inclusive	**-**	-	**-**	-
	1,251	48,586	**-**	48,260

Analysis of financial liabilities by currency:

	Sterling	Euros	Total
	£'000	£'000	£'000
31 March 2012			
Bank overdrafts	1,134	3	1,137
Bank loans	-	95	95
Obligations under finance leases	-	19	19
	1,134	**117**	**1,251**
31 March 2011			
Bank overdrafts	-	5	5
Bank loans	30,630	17,781	48,411
Obligations under finance leases	92	78	170
	30,722	17,864	48,586

The fair value of the Group's lease obligations approximates their carrying amount and the present value of minimum lease payments does not differ materially to the minimum lease payments.

Obligations under finance leases comprise gross rental payments of £22,000 (2011: £0.2m) and future finance charges of £3,000 (2011: £25,000).

The Group's obligations under finance leases are secured by the lessors' charges over the leased assets.

The Group has outstanding issued bonds and guarantees to the value of £19,137,000 (2011: £28,657,000). No liability is expected to arise from these bonds and guarantees.

21. FINANCIAL INSTRUMENTS

The Group is exposed to a number of different market risks in the normal course of business including foreign currency risks, credit risks and cash flow and interest rate risks.

Risk management is carried out by Group Treasury under policies approved by the Board of Directors. These principles are embedded in the Group Treasury and Cash Management Operating Guidelines and Procedures. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as currency exposure management, interest rate risk, working capital control and investment of excess liquidity.

Under IFRS 7, 'Financial instruments: Disclosures', all derivative financial instruments are classed as Level 2 as they are not traded in an active market and the fair value is therefore determined through discounting future cash flows.

The derivatives had a value of £545,000 in 2011 and were cancelled as part of the refinancing exercise.

Foreign Currency Risk

The Group's overall risk management programme seeks to minimise potential adverse affects on the Group's financial performance. Policy is to manage centrally the Group's liquidity, funding and exposure to foreign currency risk in a manner which ensures straightforward administration, minimisation of risk and operational flexibility.

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in currencies other than Sterling. The currency giving rise to this risk is primarily the Euro, though most of the Group's trading is denominated in the currencies relevant to the local subsidiaries, thus matching the currency with its cost base. As a result the Group does not hedge everyday foreign currency transactions.

The table below shows the extent to which Group companies have monetary assets and liabilities in currencies other than the local functional currency:

	Functional currency of Group operations			
	Sterling 2012 £'000	**Euro 2012 £'000**	Sterling 2011 £'000	Euro 2011 £'000
Sterling	**-**	**(346)**	-	32
Euro	**11,475**	**-**	(14,703)	-
US Dollar	**-**	**57**	-	188
Polish Zloty	**-**	**1,372**	-	8,086
Turkish Lira	**-**	**82**	-	(39)
Russian Rouble	**-**	**779**	-	941
Other	**-**	**611**	-	792
	11,475	**2,555**	(14,703)	10,000

At 31 March 2012 if Sterling had weakened/strengthened by 10% against the Euro, with all other variables held constant, post-tax profit for the period would not have been affected significantly as there is typically minimal Euro invoicing performed by those entities which report in Sterling.

Credit Risk

Credit risk arises from deposits with banks and credit exposure to customers, including outstanding receivables and invoiced work performed for these parties.

Group policy for cash deposits is that only banks and institutions with an independently determined short-term credit rating of A1 and a long term credit rating of at least AA- (under Standard & Poor's definitions) are used for investments.

The Group has a customer credit policy in place and the exposure to credit risk is monitored on an ongoing basis. At 31 March 2012 there were no significant concentrations of credit risk. The maximum exposure to credit risk is the carrying amount of each financial asset included on the balance sheet.

21. FINANCIAL INSTRUMENTS CONTINUED

Cash Flow and Interest Rate Risk

On 15 July 2011, the Group completed a restructuring of its existing borrowing facilities of £58.2m with its lenders. The transaction resulted in total drawn borrowings of £52.8m (net £50.9m) being cancelled and converted into 4,540,758 convertible shares at 0.01 pence each.

In addition to this, £30.6m (net of expenses) was raised by the issue of 64,000,000 new ordinary shares to new institutional investors.

At 31 March 2012 the Group had committed bonding facilities of €23m (2011: €38m).

The table below analyses monetary liabilities between fixed and floating rates:

	Floating rate liabilities 2012 £'000	**Fixed rate liabilities 2012 £'000**	**Total 2012 £'000**	Floating rate liabilities 2011 £'000	Fixed rate liabilities 2011 £'000	Total 2011 £'000
Sterling	**1,134**	**-**	**1,134**	30,630	92	30,722
Euro	**98**	**19**	**117**	17,786	78	17,864
	1,232	**19**	**1,251**	48,416	170	48,586

Overdrafts noted above are subject to an interest set off with positive cash balances.

Fair Values

The fair values of the financial assets and liabilities of the Group are considered to be materially equivalent to their book value. Fair values have been calculated by reference to cash flows discounted at prevailing interest rates.

Gross undiscounted cash flows

An analysis of undiscounted contractual maturities for non derivative financial liabilities is set out below.

At 31 March 2012	**Within 1 year £'000**	**1 to 2 years £'000**	**Total contractual maturity £'000**
Trade and other payables	(83,327)	-	(83,327)
Bank loans	(3)	(105)	(108)
Bank overdrafts	(1,176)	-	(1,176)
Finance leases	(19)	(3)	(22)
	(84,525)	**(108)**	**(84,633)**
At 31 March 2011			
Trade and other payables	(91,747)	-	(91,747)
Bank loans	(1,694)	(53,494)	(55,188)
Bank overdrafts	(5)	-	(5)
Finance leases	(170)	(25)	(195)
	(93,616)	(53,519)	(147,135)

22. SHARE CAPITAL

	2012 £'000	2011 £'000
Issued and fully paid:		
Ordinary:		
52,964,456 deferred ordinary shares of 4p each	-	2,119
35,289,886 new ordinary shares of 10p each	-	3,529
64,705,797 new ordinary shares of 0.1p each	**65**	-
4,540,758 convertible shares of 0.1p each	**5**	-
	70	5,648

ORDINARY SHARES

	Number of shares in issue	Par Value	Share capital £'000	Share premium £'000
At 1 July 2010, 1 April 2011	88,254,342	-	5,648	42,214
Sub division of shares	35,289,886	-	-	-
Share consolidation of ordinary shares	(34,584,089)	-	-	-
New ordinary shares issued	64,000,000	0.1p	64	31,936
Placing fees	-	-	-	(1,375)
Debt conversion	4,540,758	-	5	1,220
Companies Act classification of gain on debt restructuring	-	-	-	49,679
Share buyback	(88,254,342)	-	(5,647)	-
Capital reduction	-	-	-	(123,674)
At 31 March 2012	**69,246,555**		**70**	**-**

PREFERENCE SHARES

	Number of shares in issue	Preference share capital £'000
'A' preference shares issued to the Lenders	27,600,000	27,600
'B' preference shares issued to the Employee Benefit Trust	2,400,000	2,400
At 31 March 2011	30,000,000	30,000
Conversion to 'C' deferred shares	30,000,000	30,000
Share buyback	(30,000,000)	(30,000)
At 31 March 2012	**-**	**-**

22. SHARE CAPITAL CONTINUED

Share capital restructuring

Debt for equity swap

On 15 July 2011, the Group completed a restructuring of its existing borrowing facilities of £58.2m with its lenders. The transaction resulted in total drawn borrowings of £52.8m (net £50.9m) being cancelled and converted into 4,540,758 convertible shares at 0.1 pence each.

The convertible shares are subject to certain conditions, and have rights of conversion into ordinary shares. The convertible shares have no voting, economic or other rights save certain circumstances, and are not be entitled to participate in a return of capital or assets. The convertible shares are not listed on AIM or any other investment exchange and the holder is entitled to convert the convertible shares into ordinary shares at any time provided that:

- The Group's volume weighted average ordinary share price rises above three times the placing price for a period of at least 25 consecutive trading days between the second and tenth anniversary following admission; or
- An offer is made to acquire the entire issued share capital of the Company which becomes unconditional in all respects (or, if conducted by way of a scheme of arrangement, such scheme of arrangement becomes effective); or
- The ordinary shares cease to be listed either on AIM or the main market of the London Stock Exchange.

The Group has recognised a gain of £49.7m during the year, representing the difference between the carrying value of £50.9m of the borrowings converted and the fair value of the convertible shares of £1.2m issued to the lenders at the date of the debt for equity swap.

The profit and loss reserve has been reduced by £49.7m and the share premium account increased by a similar amount to reflect the legal measurement of share capital and share premium on the issue of the convertible shares as required by the Companies Act 2006.

The convertible shares have been recorded as equity as the holders do not have an unconditional right to require their redemption.

Share reorganisation

Ordinary shares

The Group undertook a share reorganisation such that each existing ordinary share of 10 pence each was sub-divided into one existing ordinary share of 0.002 pence each and one 'B' deferred share of 9.998 pence each.

The 'B' deferred shares had no voting rights or dividend rights and on a return of capital, had the right to receive an amount equal to the sum of the nominal value of such shares. The 'B' deferred shares were repurchased and subsequently cancelled on 23 September 2011.

The existing ordinary shares following the reorganisation but before the placing referred to below were consolidated into ordinary shares of 0.1 pence each. The share consolidation was on the basis of one post-consolidation ordinary share for every 50 existing ordinary shares giving 705,797 ordinary shares of 0.1 pence each.

Preference shares

The preference shares were re-designated as a new class of 'C' deferred shares with the same rights and restrictions as the deferred shares, and therefore, no economic value was attached to the 'C' deferred shares. The 'C' deferred shares carried no entitlement to dividends, no redemption premium on a sale or winding up and no voting rights. The 'C' deferred shares were repurchased and subsequently cancelled on 23 September 2011.

Placing

£30.6m (net of expenses) was raised by the issue of 64,000,000 new ordinary shares with new institutional investors at an issue price of 50 pence per new ordinary share. The new ordinary shares are identical to, and rank in full with, the post-consolidation ordinary shares for all dividends or other distributions declared, made or paid.

Share repurchase

The Group repurchased and subsequently cancelled all of the deferred, 'B' deferred and 'C' deferred shares in issue on 23 September 2011 for a total consideration of 1p. The nominal value of the amounts repurchased and cancelled was transferred to the Capital Redemption Reserve. The Capital Redemption Reserve was subsequently cancelled (see below).

Capital reduction

On 19 October 2011, the cancellation of the Company's share premium account and its capital redemption reserve, approved by shareholders at the AGM, was confirmed by an order of the High Court. This is reflected in the transfer from the share premium account and the capital redemption reserve to retained earnings.

23. RESERVES

Group	2012 Retained earnings £'000	2012 Currency translation reserve £'000	2012 Share premium £'000	2012 Merger reserve £'000	2011 Reclassified retained earnings £'000	2011 Currency translation reserve £'000	2011 Reclassified share premium £'000	2011 Merger reserve £'000
At 1 April, 1 July	**(113,763)**	**2,997**	**42,214**	**6,284**	(97,971)	3,333	42,214	17,900
Retained profit/(loss) for the year/period	**11,388**	**-**	**-**	**-**	(28,173)	-	-	-
Transfers	**6,284**	**-**	**-**	**(6,284)**	11,616	-	-	(11,616)
Actuarial (loss)/gain on defined benefit pension schemes	**(340)**	**-**	**-**	**-**	449	-	-	-
Tax on items taken directly to equity	**153**	**-**	**-**	**-**	(126)	-	-	-
Currency translation differences	**-**	**(811)**	**-**	**-**	-	(336)	-	-
New ordinary shares issued		**-**	**30,561**	**-**	-	-	-	-
Debt conversion		**-**	**1,220**	**-**	-	-	-	-
Gain on debt restructuring	**(49,679)**	**-**	**49,679**	**-**	-	-	-	-
Share based payments	**2,343**	**-**	**-**	**-**	442	-	-	-
Capital reduction	**159,320**		**(123,674)**					
At 31 March	**15,706**	**2,186**	**-**	**-**	(113,763)	2,997	42,214	6,284

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23. RESERVES CONTINUED

Company	2012 Retained earnings £'000	2012 Currency translation reserve £'000	2012 Share premium £'000	2012 Merger reserve £'000	2011 Reclassified retained earnings £'000	2011 Currency translation reserve £'000	2011 Reclassified share premium £'000	2011 Merger reserve £'000
At 1 April, 1 July	**(65,407)**	**13**	**42,214**	**-**	(55,054)	13	42,214	17,900
Retained loss for the year/period	**(14,563)**	**-**	**-**	**-**	(28,695)	-	-	-
Transfers	**-**	**-**	**-**	**-**	17,900	-	-	(17,900)
New ordinary shares issued	**-**	**-**	**30,561**	**-**	-	-	-	-
Debt conversion	**-**	**-**	**1,220**	**-**	-	-	-	-
Gain on debt restructuring	**(49,679)**	**-**	**49,679**	**-**	-	-	-	-
Share based payments	**2,343**	**-**	**-**	**-**	442	-	-	-
Capital reduction	**159,320**	**-**	**(123,674)**	**-**	-	-	-	-
At 31 March	**32,014**	**13**	**-**	**-**	(65,407)	13	42,214	-

Retained earnings include shares held by the WYG plc Employee Benefit Trust ('EBT') and the QUEST. All costs relating to the EBT and the QUEST are dealt with in the income statement as they accrue and both have waived their rights to receive dividends on the shares they hold.

The transfer on the merger reserve represents the movements between the merger reserve and retained earnings as a result of the impairment of goodwill and investments recorded in the current period.

24. STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY/DEFICIT

	Group 2012 £'000	Group 2011 £'000	Company 2012 £'000	Company 2011 £'000
Profit/(loss) attributable to equity shareholders	**11,388**	(28,173)	**(14,563)**	(28,695)
Currency translation differences	**(811)**	(336)	**-**	-
Actuarial (losses)/gains on defined benefit pension schemes	**(340)**	449	**-**	-
Share-based payments charge	**2,343**	442	**2,343**	442
Premium on issue of share capital	**31,781**	-	**31,781**	-
Share capital	**68**	-	**68**	-
Tax on items taken directly to equity	**153**	(126)	**-**	-
Net addition to/(reduction from) shareholders' equity	**44,582**	(27,744)	**19,629**	(28,253)
(Deficit)/equity attributable to equity shareholders at beginning of year	**(26,620)**	1,124	**12,468**	40,721
Equity/(deficit) attributable to equity shareholders at end of period/year	**17,962**	(26,620)	**32,097**	12,468

25. CASH GENERATED FROM OPERATIONS

	Group		Company	
	2012	2011	**2012**	2011
	£'000	£'000	**£'000**	£'000
Profit/(loss) from operations	**14,218**	(24,789)	**(13,359)**	(29,146)
Adjustments for:				
Depreciation of property, plant and equipment	**1,521**	1,509	**-**	-
Amortisation of intangible assets	**1,389**	1,461	**-**	-
Impairment of goodwill/investments	**14,800**	12,143	**61,000**	28,917
Gain on debt restructuring	**(49,679)**	-	**(49,679)**	-
Loss on disposal of business	**-**	1,095	**-**	-
Loss on disposal of property, plant and equipment	**374**	497	**-**	-
Share options charge	**2,485**	442	**827**	442
Operating cash flows before movements in working capital	**(14,892)**	(7,642)	**(1,211)**	213
(Increase)/decrease in work in progress	**(2,193)**	7,364	**-**	-
(Increase)/decrease in receivables	**(1,465)**	13,659	**(36,019)**	1,885
(Decrease)/increase in payables	**(5,367)**	(5,575)	**5,004**	276
Cash (used in)/generated from operations	**(23,917)**	7,806	**(32,226)**	2,374
Interest paid	**(1,622)**	(2,987)	**(2)**	-
Tax paid	**(787)**	(486)	**-**	-
Net cash (used in)/generated from operating activities	**(26,326)**	4,333	**(32,228)**	2,374

26. ANALYSIS OF CHANGES IN NET DEBT/CASH

	At 1 April 2011 £'000	Cash flows £'000	Other non-cash items £'000	**At 31 March 2012 £'000**
Cash and cash equivalents	19,370	3,773	-	**23,143**
Bank loans due after one year	(48,411)	(1,555)	49,871	**(95)**
Finance leases and hire purchase contracts	(170)	151	-	**(19)**
Net debt/cash	(29,211)	2,369	49,871	**23,029**
Add back cash in restricted access accounts	(8,524)	1,859	-	**(6,665)**
Unrestricted net debt/cash	(37,735)	4,228	49,871	**16,364**

Restricted cash relates to balances in the Group's captive insurance company, restricted access accounts in WYG International Limited, and at 31 March 2011 the sales proceeds from the disposal of AKT.
Other non-cash movements represent currency exchange differences, the accrual of Payment in Kind (PIK) interest and the impact of the debt for equity swap.

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27. CONTINGENT LIABILITIES AND GUARANTEES

The Company and its subsidiary undertakings cross guarantee to the Group's principal bankers the overdrafts, if any, of each Company covered by the guarantee. At 31 March 2012 the Group's overdrafts amounted to £1,137,000 (2011: £5,000).

The Group has outstanding bonds and guarantees to the value of £19,137,000 (2011: £28,657,000) in the ordinary course of business. No liability is expected to arise from these bonds and guarantees.

28. FINANCIAL COMMITMENTS

At 31 March 2012, the Group and the Company had capital commitments outstanding of £nil (2011: £nil). The Company had no capital commitments at either year end.

At 31 March 2012, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2012		2011	
	Land and buildings £'000	**Other £'000**	Land and buildings £'000	Other £'000
Within one year	**4,541**	**390**	5,019	1,111
In the second to fifth years inclusive	**12,600**	**762**	13,684	1,445
After five years	**2,587**	**-**	3,446	-
	19,728	**1,152**	22,149	2,556

The Company had no such commitments at either year end. Leases of land and buildings are typically subject to rent review every five years.

29. SHARE-BASED PAYMENTS

At 31 March 2012 outstanding options and awards to subscribe for ordinary shares in the Company, granted in accordance with the rules of the relevant share option schemes were as follows:

	Exercise price	At 1 April 2011	Awarded	At 31 March 2012	**Exercisable at 31 March 2012**
Transformation Incentive Plan	0.1p	-	15,313,705	15,313,705	-
Matching share awards	0.1p	-	500,000	500,000	-
		-	15,813,705	15,813,705	-

Transformation Incentive Plan (TIP)

On 12 July 2011 the Company established the TIP in order to incentivise the Company's most senior executives. The TIP operates as a standard long-term incentive plan under which share option awards are granted. The exercise price for awards is a nominal amount. Awards under the TIP will only vest on the achievement of the share price threshold targets for the ordinary shares shown in the table below:

Performance Threshold (ordinary share price level for 25 consecutive trading days)	**Percentage of Award vesting**
£1.50 or above	100%
£1.25 or above	66.66%
£1.00 or above	33.33%
Less than £1.00	Nil

Following the achievement of the above thresholds, award shares which have vested will only be released to participants after a further twelve months.

The options issued under the TIP attract a charge under IFRS. The fair value of these share options has been calculated using the Monte-Carlo pricing model. The key assumptions within the model are the risk free rate of interest (1%) and the Company's share price volatility (65%).

Matching share award

In addition, on 12 July 2011, the company established a separate share matching arrangement for the Chairman to ensure his continued retention within the business (the 'Matching Share Award'). Under the Matching Share Award, in consideration for the Chairman investing £100,000 to acquire new ordinary shares, the Chairman was granted a share option award of 2.5 matching ordinary shares for each new ordinary share so acquired, being a total of 500,000 ordinary shares ('Matching Shares'). The Matching Share Award has a nominal value exercise price.

There are no performance conditions that apply to this award. The Matching Shares will vest on 12 July 2014 (being the third anniversary of the admission of the New ordinary shares to trading on AIM) provided that the Chairman is still a director of the Company and that he continues to hold all of the ordinary shares he acquired as described above.

29. SHARE-BASED PAYMENTS CONTINUED

Other share option schemes

During the year the Company operated a number of other incentive schemes, details are given below:

- Performance Share Plan (PSP). At 31 March 2011 there were 5,117,250 options awarded under the PSP. The trustee resolved to agree to the cancellation of all awards under the PSP on 24 August 2011 and award holders received no value in return
- Joint Share Ownership Plan (JSOP). At 31 March 2011 there were 3,213,841 options awarded under the JSOP. The trustee resolved to agree to the cancellation of all awards under the JSOP on 14 September 2011 and award holders received no value for them
- Long Term Incentive Plan (LTIP). At 31 March 2011 there were 56,791 options awarded under the LTIP. These awards have now lapsed with no part of the awards having vested. No further awards are planned to be made under the LTIP
- WYG plc Executive Share Option Scheme (1996). As at 31 March 2011 there were 92,000 options awarded under the scheme, of these 57,000 lapsed in the year with no part of the awards vesting. At 31 March 2012 35,000 options remain outstanding with an exercise price of £1.52 (this has not been adjusted to take into account the variations to the share capital in 2010 and 2011) and a vesting date that ends on 9 July 2013.

The options outstanding at 31 March 2012 had a weighted average exercise price of 0p (2011: 29.9p) and a weighted average remaining contractual life of 4.2 years (2011: 2.1 years).

Employee Benefit Trust

At 31 March 2012 the EBT held 172,608 (2011: 4,852,649) ordinary shares with a cost of £1,059,941 (2011: £3,605,000) and a market value of £92,345 (2011: £886,000)

During the period the Group recognised total charges of £2,485,000 (nine months to March 2011: £442,000) (of which £827,000 related to the curtailment of the JSOP and PSP schemes) in relation to share-based payment transactions.

30. RETIREMENT BENEFIT SCHEMES

Defined Contribution Schemes

The Group operates a defined contribution retirement benefit scheme for all UK qualifying employees with Scottish Equitable Plc. The assets of the schemes are held separately from those of the Group in funds under the control of trustees.

The total cost charged to income of £3,026,000 (2011: £2,924,000) represents contributions payable to these schemes by the Group at rates specified in the rules of the plan. As at 31 March 2012, contributions of £291,000 (2011: £293,000) due in respect of the current reporting period had not been paid over to the scheme.

Defined Benefit Schemes

The Group is in the process of winding up a former defined benefit scheme. The White Young Consulting Group Limited Retirement Benefit Plan (1986) ('the 1986 Plan') was a funded defined benefit scheme providing benefits based on final pensionable pay. The scheme was discontinued on 31 August 1996 and treated as paid up.

The deficit arising under the MFR has been considered by the scheme actuary, the scheme trustees and the Group. Group contributions to the 1986 Plan in the year were £nil (nine months to March 2011: £nil). The liabilities of £1.8m as at 31 March 2012 represent the remaining associated wind-up costs of the Plan.

The WYD scheme is a funded defined benefit scheme and was established to allow the restructure of employer's pension arrangements for scheme members. The latest independent actuarial valuation for the WYD Pension Scheme was prepared at 1 July 2011, when the market value of the assets was £6.0m and the accrued liabilities totalled £8.4m. Group contributions to the WYD scheme in the period were £633,000 (2011: £474,000 for the nine months).

For the purposes of IAS 19 disclosures, the WYD scheme is disclosed based upon the most recent actuarial valuation at 1 July 2011, updated to take account of the requirements of IAS 19 in order to assess the liabilities of the scheme at 31 March 2012. The 1986 Plan is disclosed based on the debt on the employer and associated wind-up costs as discussed above.

30. RETIREMENT BENEFIT SCHEMES CONTINUED

The two schemes give rise to an overall net pension liability at 31 March 2012 of £2.8m (2011: £3.0m) as follows:

	2012 £'000	2011 £'000
Present value of defined benefit obligations (WYD Scheme)	**(7,625)**	(6,966)
Fair value of scheme assets (WYD Scheme)	**6,607**	5,725
Liability recognised in the balance sheet (WYD Scheme)	**(1,018)**	(1,241)
Other pension liabilities	**(1,752)**	(1,797)
	(2,770)	(3,038)

	2012 %	2011 %
Key assumptions used:		
Discount rate	**4.6**	5.5
Expected rate of salary increases	**N/A**	N/A
Future pension increases	**2.9**	3.4
Inflation - CPI	**2.1**	2.9
Inflation - RPI	**2.9**	3.4
Life expectancy at age 65:		
Men (years)	**89.1**	89.0
Women (years)	**91.5**	91.4

Amounts recognised in income in respect of these defined benefit schemes are as follows:

	2012 £'000	2011 £'000
Current service cost	**-**	(32)
Interest cost	**(369)**	(277)
Expected return on scheme assets	**326**	218
	(43)	(91)

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30. RETIREMENT BENEFIT SCHEMES CONTINUED

Of the charge for the year, a credit of £326,000 (nine months to March 2011: £186,000) has been included in operating expenses and a charge of £369,000 (nine months to March 2011: £277,000) has been included in finance costs. Actuarial gains and losses have been reported in the Consolidated Statement of Comprehensive Income.

Movements in the present value of defined benefit obligations in the current period were as follows:

	2012 £'000	2011 £'000
At 1 April, 1 July	(6,966)	(7,117)
Service cost	-	(32)
Interest cost	(369)	(277)
Actuarial (losses)/gains	(826)	211
Benefits paid	536	217
Charges paid	-	32
At 31 March	(7,625)	(6,966)

Movements in the present value of fair value of scheme assets in the current period were as follows:

	2012 £'000	2011 £'000
At 1 April, 1 July	5,725	5,044
Expected return on scheme assets	326	218
Actuarial gains	486	238
Contributions from the sponsoring companies	633	474
Benefits paid	(536)	(217)
Charges paid	(27)	(32)
At 31 March	6,607	5,725

The analysis of the scheme assets and the expected rate of return at the balance sheet date was as follows:

	Expected Return		Fair Value of Assets	
	2012 %	2011 %	2012 £'000	2011 £'000
Equity instruments	8.1	8.2	1,603	1,735
Fixed interest instruments	3.1	4.4	3,418	2,634
Other assets	4.6	5.5	1,586	1,356
	4.7	5.7	6,607	5,725

The overall expected rate of return is based on the weighted average return on each asset category out of the total assets held in each plan.

30. RETIREMENT BENEFIT SCHEMES CONTINUED

The five year history of experience adjustments is as follows:

	2012	2011	2010	2009	2008
	£'000	£'000	£'000	£'000	£'000
Present value of defined benefit obligations	**(7,625)**	(6,966)	(7,117)	(6,780)	(5,638)
Fair value of scheme assets	**6,607**	5,725	5,044	4,474	4,248
Deficit in the schemes	**(1,018)**	(1,241)	(2,073)	(2,306)	(1,390)
Experience adjustments on scheme liabilities:					
Amount (£'000)	**(146)**	50	138	327	142
Percentage of scheme liabilities (%)	**2%**	1%	2%	5%	3%
Experience adjustments on scheme assets:					
Amount (£'000)	**-**	(6)	(11)	(391)	(400)
Percentage of scheme assets (%)	**-**	-	-	9%	9%

The estimated amounts of contributions expected to be paid to the WYD scheme during the current financial year is £600,000.

The 1986 Plan is not included in the experience history as the liability disclosed at 31 March 2012 represents the remaining associated wind-up costs of the Plan.

31. RELATED PARTIES

Up to 15 July 2011, the Group was ultimately controlled by its lenders who had an overall holding of 60.5% spread amongst syndicate members consisting of Lloyds TSB Banking Group 25.1%, Royal Bank of Scotland 13.4% and Fortis 22.0%. Transactions with the lenders are disclosed in notes 6, 20, 21 and 22. The Directors confirm that there is no ultimate controlling party after this date.

Company

Funds are transferred within the Group, dependent on the operational needs of individual companies. Balances owed by other Group undertakings are shown in note 17 to the accounts.

NOTICE OF GENERAL MEETING

Notice is hereby given that the twenty-eighth Annual General Meeting of WYG plc ('Company') will be held at the Company's registered office at Arndale Court, Otley Road, Headingley, Leeds LS6 2UJ on 26 September 2012 at 2pm for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the accounts for the year ended 31 March 2012 together with the reports of the Directors and the auditors thereon
2. To receive and approve the Directors' Remuneration Report for the year ended 31 March 2012
3. To appoint Sean Cummins as a Director
4. To re-elect Graham Olver as a Director
5. To re-elect Robert Barr as a Director
6. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company
7. To authorise the Directors to determine the remuneration of PricewaterhouseCoopers LLP.

SPECIAL BUSINESS

As special business to consider and, if thought fit, pass resolution 8 as an ordinary resolution and resolutions 9 and 10 as special resolutions:

8. THAT, the Directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (in substitution for the authority to allot shares granted at the Company's annual general meeting held on 23 September 2011) to allot shares in the Company up to an aggregate nominal amount of £21,568 provided that such authority shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require such shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry, and the Board may allot shares and grant rights to subscribe or convert securities into shares to be granted after such expiry, and the Board may allot shares and grant rights to subscribe or convert securities into shares in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.
9. THAT, subject to the passing of resolution 8 as set out in the notice of this meeting, the Directors be empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the said Act) for cash pursuant to the general authority conferred by resolution 8 as set out in the notice of this meeting and be empowered pursuant to section 573 of the said Act to sell ordinary shares (as defined in section 560 of the said Act) held by the Company as treasury shares (as defined in section 724 of the said Act) for cash as if section 561(1) of the said Act did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:

   (i) in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory; and

   (ii) otherwise than pursuant to sub-paragraph (i) above, up to an aggregate nominal amount of £3,235, and such power shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Board may allot equity securities, or sell treasury shares in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

10. THAT, the Company be generally and unconditionally authorised to make market purchases (as defined in section 693(4) of the Companies Act 2006) of up to 6,470,579 ordinary shares of 0.1 pence each in the capital of the Company (being approximately 10 per cent of the current issued ordinary share capital of the Company) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

    (i) the amount paid for each share (exclusive of expenses) shall not be more than the higher of (1) five per cent above the average market value for the five business days before the date on which the contract for the purchase is made, and (2) an amount equal to the higher of the price of the last independent trade and current independent bid as derived from the trading venue where the purchase was carried out or less than 0.1 pence per share; and

    (ii) the authority herein contained shall expire at the conclusion of the next annual general meeting of the Company or on 31 December 2013 whichever is earlier, provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred hereby had not expired.

By order of the Board:

Benjamin Whitworth
Secretary
Arndale Court
Otley Road
Headingley
Leeds LS6 2UJ

7 June 2012

Notes to Notice of Meeting

1. Entitlement to attend, vote and ask questions

Only those members registered on the Company's register of members at:

- 2pm on 24 September 2012; or,
- if this meeting is adjourned, at 6pm on the day two days prior to the adjourned meeting,

shall be entitled to attend and vote at the meeting.

Any member attending the meeting is entitled, pursuant to section 319A of the Companies Act 2006 to ask any question relating to the business being dealt with at the meeting. The Company will answer any such questions unless (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; or (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

2. Appointment of proxies

A shareholder is not entitled to attend and vote at the meeting (whether in person or by proxy) unless his name is entered in the register of members 48 hours before the time for holding the meeting and if the meeting is adjourned, a shareholder is not entitled to attend and vote at the meeting (whether in person or by proxy) unless his name is entered in the register of members 48 hours before the time for holding the adjourned meeting.

A shareholder entitled to attend and vote may appoint another person, whether a shareholder or not, as his proxy to attend and vote instead of him. A proxy need not be a member of the Company. A form of proxy is enclosed with this notice for use in connection with the business set out on pages 99 and 100. The form of proxy and any authority under which it is executed, to be valid, must be lodged at Capita Registrars, Proxy Department, The Registry, Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time fixed for the meeting.

Completion and return of the form of proxy and any authority under which it is executed will not preclude a shareholder from attending and voting at the meeting should he or she subsequently decide to do so.

A proxy may also be appointed by registered shareholders by logging onto www.capitashareportal.com. Full details of the procedures are given on the website. In the case of CREST members, a proxy can be appointed by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

3. Appointment of proxies through CREST

CREST members who wish to appoint a proxy through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate actions on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message, (a 'CREST Proxy Instruction') must be properly authenticated in order with Euroclear UK & Ireland Limited's (formerly CRESTCo's) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuers agent (ID RA10) by no later than 2pm on 24 September 2012. No such message received through the CREST network after this time will be accepted. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the Crest Applications Host) from which the registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed by CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member of has appointed a voting service provider(s)), to procure that his CREST sponsor or voting service provider(s) takes(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by a particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

4. Nominated Persons

The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ('nominated persons'). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

5. Corporate representatives

A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

6. Issued shares and total voting rights

The total number of ordinary shares of 0.1 pence each in issue as at 30 June 2012, the last practicable day before printing this document was 64,705,797 ordinary shares and the total level of voting rights was 64,705,797.

7. Website publication of audit concerns

Pursuant to Chapter 5 of Part 16 of the Companies Act 2006 (sections 527 to 531), where requested by either a member or members having a right to vote at the meeting and holding at least 5% of total voting rights of the Company or at least 100 members have a right to vote at the meeting and holding, on average, at least £100 of paid up share capital, the Company must publish on its website, a statement setting out any matter that such member or members propose to raise at the Annual General Meeting relating to the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting.

Where the Company is required to publish such a statement on its website it may not require the members making the request to pay any expenses incurred by the Company in complying with the request, it must forward the statement to the Company's auditors no later than the time the statement is made available on the Company's website, and the statement may be dealt with as part of the business of the Annual General Meeting.

A member or members wishing to request publication of such a statement on the Company's website must send the request to the Company using one of the following methods:

- in hard copy form to the Company Secretary, Arndale Court, Otley Road, Headingley, Leeds LS6 2UJ - the request must be signed by a member; or
- by fax to 0113 278 3487 marked for the attention of the Company Secretary.

Whichever form of communication is chosen, the request must either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported, and be received by the Company at least one week before the Annual General Meeting.

8. Documents on display

The following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturday, Sunday and public holidays excepted) from the date of this notice until the conclusion of the meeting and on 26 September 2012 at the meeting venue for at least 15 minutes before the meeting until the conclusion of the meeting:

(a) copies of the Directors' service contracts and letters of appointment; and

(b) the register of the Directors' interests in the share capital of the Company.

GUIDANCE FOR SHAREHOLDERS

The AGM of WYG plc will be held at the Company's registered office at Arndale Court, Otley Road, Headingley, Leeds LS6 2UJ on 26 September 2012 at 2pm. As part of the Group's commitment to communicate clearly with shareholders, we have set out below explanations of the detailed formal business to be dealt with at the AGM.

In accordance with good principles of governance, it is intended that voting for all the resolutions will be conducted on a poll. The outcome of the poll vote for each resolution will be published following the meeting and be made available on the Company's website. This does not affect the rights of shareholders to attend, vote and speak at the AGM.

RESOLUTIONS 1 TO 7 ORDINARY BUSINESS

Resolutions 1 to 7 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolution 1: Report and Accounts

The Directors are required to present to the meeting the accounts and Directors and Auditors' Reports for the year ended 31 March 2012.

Resolution 2: Directors ' Remuneration Report

The Directors have elected to present to the meeting the Directors' Remuneration Report for the year ended 31 March 2012.

Resolution 3: Appointment of Directors

The Company's Articles of Association require that any director appointed during the year shall hold office only until the next AGM and shall then be eligible for election. In accordance with this rule, Sean Cummins is seeking election at this meeting.

A profile of Sean Cummins is provided in the Annual Report on page 31.

Resolutions 4 and 5: Re-appointment of Directors

The Company's Articles of Association require one third of the directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not more than one third, to retire from office at every annual general meeting. In accordance with this rule, Graham Olver and Robert Barr are retiring by rotation, and being eligible, are seeking re-election at this meeting.

Profiles of Graham Olver and Robert Barr are provided in the Annual Report on page 31 and 32.

Resolution 6: Re-appointment of Auditors

The Company is required to appoint auditors at each meeting when accounts are presented. Resolution 6 proposes the re appointment of PricewaterhouseCoopers LLP.

Resolution 7: Remuneration of Auditors

Resolution 7 follows standard practice in giving authority to the Board to determine the remuneration of the auditors.

RESOLUTIONS 8, 9 AND 10: SPECIAL BUSINESS

Resolution 8 is proposed as an ordinary resolution which means that for this resolution to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 9 and 10 are proposed as special resolutions. This means that for each of these resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 8: Authority to Allot Shares

The Act provides that Directors shall only allot shares with the authority of shareholders in general meeting. The Company's authority to allot shares is due to expire at the AGM. As such, resolution 8 seeks shareholders approval for the Directors to be authorised generally and unconditionally allot new ordinary shares in accordance with section 551 of the Act up to an aggregate nominal value of £21,568 representing one third of the issued share capital of the Company.

Resolution 9: Disapplication of Pre-emption Rights

The Act provides that any allotment of new shares for cash must be made pro rata to individual shareholders' holdings unless such provisions are disapplied under section 570 of the Act. Resolution 9 seeks shareholders' approval for Directors to allot shares in the capital of the Company pursuant to the authority granted under resolution 8 above for cash without first offering them to shareholders pro rata to their holdings up to a maximum aggregate nominal value of £3,235 representing approximately five per cent of the current issued ordinary share capital of the Company. This authority also allows the Directors, within the same aggregate limit, to sell for cash shares that may be held by the Company in treasury. The Directors have no present intention of exercising this authority.

Resolution 10: Market Purchase of Own Shares

The Directors consider that it would be appropriate for the Company to renew its authority to allow the use of the Company's available cash resources to acquire its ordinary shares in the market for cancellation. This authority is granted pursuant to section 701 of the Act. Accordingly, a special resolution is proposed to authorise purchases in the market of up to 10 per cent of the issued ordinary shares in the capital of the Company. The minimum price and the method of determining the maximum price which may be paid for an ordinary share is set out in the resolution.

The Directors would only consider making purchases if they believed that such purchases would be in the best interests of shareholders generally, having regard to the effect on earnings per share. When suitable opportunities arise, it is the Board's intention to exercise this authority, but only after taking into consideration these principles and so that no purchases will be made which would effectively alter the control of the Company without the prior approval of shareholders in general meeting. The Directors have no present intention of exercising this authority.

Companies are permitted to retain any of their own shares which they have purchased as treasury stock with a view to possible re-issue at a future date, rather than cancelling them. The Company will consider holding any of its own shares that it purchases pursuant to the authority conferred by this resolution as treasury stock. This would give the Company the ability to re-issue treasury shares quickly and cost-effectively, and would provide the Company with additional flexibility in the management of its capital base.

ACTION TO BE TAKEN

Enclosed is a form of proxy for use at the AGM. If you do not intend to be present at the AGM, please complete, sign and return the proxy form as soon as possible. In order for it to be valid, it must be received by the Registrars no later than 2pm on 24 September 2012. Any alterations made to this form should be initialled. A proxy may also be appointed by registering electronically by logging onto www.capitashareportal.com. Full details of the procedures are given on that website.

If you are appointing more than one proxy you must indicate the number of shares in respect of which you are making this appointment, you should include the number in the box provided for your first named proxy and either obtain (an) additional proxy form(s) from the Registrars (+44 (0) 870 162 3100) or you may photocopy this form. Please return all the forms together and tick the box to indicate each form is one of multiple instructions being given. Please take care when completing the number of shares; if the total number of shares exceeds the total being held by the member, all appointments may be invalid.

The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 (nominated persons). Nominated persons may have the right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

If two or more valid forms of proxy are delivered in respect of the same share, the one which was delivered last (regardless of its date or the date of its execution) will be valid.

Shareholders who return completed proxy voting forms may still attend the meeting instead of their proxies, and vote in person if they wish. In the event of a poll in which the shareholder votes in person, any proxy votes lodged with the Company by or on behalf of such shareholder will be excluded.

CREST members who wish to appoint a proxy through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previous appointed proxy, must, in order to be valid, be transmitted so as to be received by Capita Registrars (ID RA10) by no later than 2pm on 24 September 2012. Please refer to the notes to the notice of the meeting for further information on proxy appointment through CREST.

FINANCIAL SUMMARY

Consolidated Income Statement

		IFRS			
	2012 £'000	2011 Restated [3] £'000	2010 Restated £'000	2009 Restated £'000	2008 Restated £'000
Results					
Revenue - gross	**139,864**	121,487	220,620	261,629	282,108
Revenue - net [1]	**123,436**	106,734	192,999	213,927	232,110
Operating (loss)/profit [2 4]	**(3,467)**	140	8,033	15,588	27,770
Profit before tax [2 4]	**(5,806)**	(3,717)	2,301	10,464	22,256
(Loss)/profit attributable to equity shareholders	**11,388**	(28,173)	(20,716)	(128,342)	14,437
Dividend per share	**-**	-	-	-	9.5p
Share price at 31 March, 30 June	**53.3p**	18.3p	37.5p	23.1p	330.0p

[1] after deducting revenue attributable to third parties on which the Group does not make a margin.
[2] before separately disclosed items.
[3] 2011 figures are for the nine month period to 31 March 2011: the other years are for 12 month periods to 30 June.
[4] Operating profit/(loss) in 2011 and prior years has been restated for the reclassification of bond interest from operating expenses to finance costs, and the inclusion of share option costs in separately disclosed items.

Consolidated Balance Sheet

		IFRS			
	2012 £'000	2011 £'000	2010 Restated £'000	2009 Restated £'000	2008 Restated £'000
Goodwill and other intangibles	**17,353**	32,992	47,191	56,171	130,828
Property, plant and equipment	**3,206**	3,771	6,276	13,854	14,517
Work in progress	**27,066**	25,836	30,146	41,189	48,041
Receivables	**29,826**	30,858	44,059	68,283	86,320
Payables	**(82,518)**	(90,866)	(92,670)	(110,871)	(91,117)
	(5,067)	2,591	35,002	68,626	188,589
Shareholders' equity/ (deficit)	**17,962**	(26,620)	1,124	(16,722)	120,386
Net financial liabilities	**(23,029)**	29,211	33,878	85,348	68,203
	(5,067)	2,591	35,002	68,626	188,589

Information for Shareholders

Financial Calendar	
AGM	26 September 2012
Interim Results	29 November 2012
Preliminary Results 2013	June 2013

Annual General Meeting

The AGM will be held at the Company's registered office at Arndale Court, Otley Road, Headingley, Leeds LS6 2UJ on 26 September 2012 at 2pm. Formal notice of the AGM, including details of special business are enclosed on pages 99 and 100 and are available on the Company's website at www.wyg.com.

Share Price

Information on our share price is available on the Company's website, www.wyg.com and is also listed in a number of daily newspapers.

Registrar

All matters relating to the administration of shareholdings should be directed to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, telephone: 0871 664 0300 (calls cost 10p per minute plus network extras, lines are open 9:00am-5:00pm Monday to Friday for UK callers or if calling from overseas +44 20 8639 3399).

The registrar's website is www.capitaregistrars.com where you can register for electronic communications and access your personal shareholding by means of your investor code which is printed on your share certificate or statement of holding. Most services require a user ID and password which will be sent to you by post once you have registered for this service on the site.

Electronic Communications

Shareholder communications can be received electronically rather than receiving hard copies by post. This offers shareholders an opportunity to receive company documentation quickly and in a user-friendly format while reducing costs and the consumption of natural resources.

Please note that all notices of meetings, the Annual Report & Accounts and other shareholder documents, are published on the Company website at www.wyg.com.

Website

The WYG website, www.wyg.com, includes a section for investors that provides a wide range of information about the Company, including the latest regulatory news and downloadable copies of the report and accounts and investor presentations.

Unsolicited Email

The Company is obliged by law to make its share register available to third parties who may then use it for a mailing list. If you are a UK shareholder and you wish to limit receipt of unsolicited email you may do so by registering with the Mailing Preference Service (MPS). Registration can be made online at www.mpsonline.org.uk or by telephone on 0845 703 4599.

ShareGift

If you have only a small number of shares which would cost more for you to sell than they are worth, you may wish to consider donating them to the charity ShareGift (Registered Charity 1052686) which specialises in accepting such shares as donations. The relevant stock transfer form may be obtained from the Company's Registrars. There are no implications for Captial Gains Tax purposes (no gain or loss) on gifts of shares to charity and it is also possible to obtain income tax relief. Further information about ShareGift may be obtained on: +44 20 7930 3737 or from www.sharegift.org.

Warning to shareholders

Many companies are now aware that shareholders have received unsolicted telephone calls or correspondence regarding investment matters, typically from overseas-based 'brokers'. They often target UK shareholders offering to buy shares at a discount or to sell what turn out to be worthless or high-risk investments. These are commonly known as 'boiler-room scams'. Such 'brokers' can be very persistent and very persuasive. The following advice is provided:

- make sure you get the name of the person calling and their organisation
- only ever deal with companies authorised by the FSA at www.fsa.gov.uk/register/
- report the matter to the FSA by completing their online form at www.fsa.gov.uk/pages/doing/regulated/law/alerts/overseas.html or call their Consumer Helpline on (UK): 0845 606 1234 or +44 20 7066 1000
- callers may be persistent so hang up the phone if they continue to contact you.

Please be aware that if you deal with an unauthorised firm you will not be eligible to receive payment under the Financial Services Compensation Scheme.

WYG plc
Arndale Court
Otley Road
Headingley
Leeds LS6 2UJ
T: 0113 278 7111
F: 0113 278 3487
E: accounts@wyg.com
W: www.wyg.com

This annual report demonstrates WYG's ongoing commitment to environmental and green issues in that it has been produced by a printer (B & B Press) whose entire manufacturing process is certified Carbon Neutral.

It is printed on LUMI which is manufactured from FSC certified sustainable mixed source fibres, in a mill which has ISO 9001, ISO 14001 accreditation and is EMAS registered, using only vegetable based inks.