Triad Group Plc

Annual Report and Accounts
2009 - 2010

Triad Group Plc
Annual Report for the year ended 31 March 2010

Contents

Chairman's statement

Dr John Rigg, Executive Chairman

Financial Highlights

- Revenue for the year ended 31 March 2010: £27.2m (2009: £32.8m)
- Operating loss after exceptional items £0.46m: (2009: £0.17m profit)
- Loss before tax £0.61m: (2009: £0.04m)
- Gross profit as a percentage of revenue 17.4%: (2009: 19.0%)

Business Performance

As reported in our interim statement dated 27 November 2009, the resourcing, consultancy and solutions business has not been immune from the market-wide decrease in demand which resulted from the recession. This extended into the second half of the year with the business particularly affected by cancelled and postponed projects.

Whilst revenues in the resourcing, consultancy and solutions business have been affected by a reduction in demand for services, the segment has delivered a resilient performance despite tough operating conditions returning an operating profit for the year of £32,000 (2008/09: £850,000). With regard to the Group's resourcing operations, our focus on niche lines of business has shielded us from the swingeing cuts that we have seen reported by many other resourcing businesses.

Revenue from the Group's location intelligence business, Zubed, improved in the second half of the financial year, with the segment reporting revenue for the year of £503,000 (2008/09: £69,000). Performance into the new financial year has been encouraging and continues to build on the improved performance in the second half of the previous financial year. The services offered by the Zubed brand continue to strengthen and the prospect list remains strong.

Measures taken in September to reduce the Group's overheads, together with continued and careful management of the Group's cost base has seen administrative expenses reduce significantly in the year to £5.2m (2009: £6.1m). The cost base of the Group remains under tight scrutiny with further cost reduction measures having been taken in the new financial year.

Revenue visibility continues to be affected by uncertainty in levels of client spending and delays in decisions. Following recent announcements from the new Government concerning public sector spending plans, the Board remains cautious about the year ahead.

Board Appointment

In October 2009 Nick Burrows was appointed Executive Finance Director. Nick joined Triad in 2001 as Financial Controller of the consultancy and solutions business. He was appointed Company Secretary in 2008.

Employees

On behalf of the Board I would like to thank all our staff for their efforts during the past year.

J. C. Rigg

John Rigg
Chairman
15 June 2010

Operating review
Ian Haynes, Chief Executive

Market

The Group provides services in the areas of Business Consultancy and Solutions, niche IT Resourcing, Location Intelligence Products & Solutions and Semantic Search. The Group operates from the United Kingdom with offices in London, Milton Keynes and Godalming.

In the year ending 31 March 2010 the Group's public sector revenue accounted for approximately one third of total revenue (see note 4) affording the Group a balanced portfolio. The recent announcement by the new Government of cuts in public sector spending is likely to impact the Group, however.

Operating Summary

Resourcing, Consultancy and Solutions

The resourcing business has a clearly defined strategy employing experienced consultants with expertise in the specific niche markets in which Triad operates; GIS (Geographical Information Systems), Central Government, Defence, Telecoms & Billing, Health and Pharmaceutical. This approach has seen a robust performance by the Group, with the business poised to take advantage of any improvement in market conditions. We have seen many of our long term clients continue to utilise our services, in many cases exclusively. Their preference is to use "known and trusted suppliers". The sales activity continues to find new clients in new niche markets which now include Accounting Software and Defence & Security.

The consultancy and solutions business has built its key propositions around business intelligence, business process improvement, portals and collaboration. We continue to use Microsoft technologies for solution delivery.

Our propositions are increasingly focused on delivering efficiency gains and cost savings to clients. Our business process improvement offering has been expanded by working with specialist technology vendors, enabling us to offer a wider skill set for organisations looking to improve efficiencies.

During the financial year we have:

- delivered portals, extranets and workflow solutions for a range of clients including law firms, charities and public sector bodies
- delivered complex business critical systems within central government, many driven by regulatory requirements and changes
- undertaken a range of senior level consultancy assignments and led early stage IT project activities in areas including enterprise architecture, security infrastructure and requirements capture for business solutions.

The "cloud" is having an increasing impact on how we deliver projects and we have successfully delivered a number of cloud based solutions, helping clients to share information and to work collaboratively.

Budget constraints and project deferrals, particularly in the public sector, have caused us to look at a wider audience in the private sector, and it is here that our best prospects for the new financial year now lie.

Operating review
Ian Haynes, Chief Executive

Location Intelligence: Zubed

Location Intelligence opens up a significant new perspective on organisational performance by linking "place" to other key performance indicators. Throughout the recession, during which competition and efficiency have played an even more pivotal role, businesses that exploit Location Intelligence have a real advantage over those who have yet to realise its potential. Zubed applications address a wide span of performance indicators, providing tools to drive sales growth, reduce operating costs, tackle fraud, improve customer engagement and satisfaction, or to address areas of social concern.

Whilst Location Intelligence remains a fairly new concept, at Zubed we have seen some extremely positive signs coming from sectors such as Local Authorities, Central Government, Pharmaceutical, Retail, Security, Banking and The Third Sector.

Zubed has developed an enviable portfolio of clients. Notable project wins include 15 local authorities signing up for our Crime Management System. Leading retailers Mothercare and Morrisons are flagship users of the Zubed Retail Planning applications, with Lloyds Bank and G4S both using our sales prospecting system. Plymouth City Council, an award-winning council in the field of location intelligence based community engagement, has recently commissioned Zubed to upgrade and expand its Local Information System.

Other key clients in the last year included The Home Office, American Express and The Royal British Legion.

The first iteration of intelligent data extraction and automated data quality assurance was incorporated in the ZubedJobs application that was championed by very senior Conservatives in their election campaign, Get Britain Working! This has now grown in diversity and we are now at the latter stages of several particularly exciting opportunities spanning extraction and interrogation of unstructured data, from the internet, and crime intelligence. These opportunities are bringing together intelligent data extraction, linguistics and vectoral semantics, where we excel.

Zubed sells productised and system based solutions based on a recurring license based model. The effect of multi-year contracts with recurring annual fees is now having a positive impact on revenue streams.

Strategy & Outlook

The Board's strategy is to build a robust business with strong recurring revenues, high margins and a common customer base across all business areas. All our work, whether Resourcing, Products, Solutions or Consultancy Services can be differentiated by quality i.e. in what we do, who we do it with, and how we deliver.

In the consultancy and solutions business this is demonstrated by our people and delivery capabilities. The strategy, as we move forward, is to concentrate our focus on winning larger and longer term projects. The strategy for this is in place and starting to deliver promising early signs with projects starting in the Utilities, Asset Management and Legal sectors.

In the resourcing business the trend that we started many years ago, to focus on niche markets, remains our priority with new customer wins across most sectors. Increasingly we are seeing cross selling opportunities across the Group.

The Zubed pipeline is healthy, with a number of proposals currently close to contract award. Our sales activities are focused on sectors and organisations where we know there is the potential to grow. Our engagement model is extremely efficient and well-proven, enabling us to reach our target markets very effectively. As the Zubed business develops, we have introduced management systems and controls to ensure that growth continues in a controlled and profitable manner.

Maximising and protecting our revenues and margins and minimising our cost base will be our watchwords as we move into the still uncertain current financial year.

Ian Haynes
Chief Executive
15 June 2010

Financial review
Nick Burrows, Finance Director

Results

The results for the year to 31 March 2010 reflect a challenging year for the Group with revenue and profitability impacted by the difficult economic conditions. Revenue for the year to 31 March 2010 decreased by 17.1% to £27.2m (2008/09: £32.8m). Gross margins have been under continued pressure throughout the year with gross margin as a percentage of revenue decreasing to 17.4% (2008/09: 19.0%).

The Group reports an operating loss for the year of £0.46m (2009: £0.17m profit). Segmental performance is discussed below.

Operating Segments

In accordance with International Accounting Standards, the Group has adopted IFRS 8 Segmental Reporting in the current year and presents segmental information on the two operating segments of the Group being the core business of resourcing, consultancy and solutions and the Group's location intelligence business, Zubed. Detailed segmental analysis is shown at note 4 to these accounts. Amounts reported for the prior period have been restated to conform to the requirements of IFRS 8.

Resourcing, consultancy and solutions

A decline in the volume of business has seen segmental revenues for the year to 31 March 2010 decrease by 18.4% to £26.7m (2009: £32.7m). The operating result for the segment was a profit of £0.03m (2009: £0.85m profit). Fee rates and contractor margins have been under pressure throughout the year and utilisation in the consultancy business has been impacted by the reduced demand for services.

Zubed

Revenue for the six months to 31 March 2010 was £503,000 (2008/09: £69,000). The operating result for the segment was a loss of £487,000 (2008/09: £685,000 loss). Encouragingly, revenue in the second half of the year improved to £323,000 (H1: £180,000).

Overheads

Administrative expenses reduced by 14.4% to £5.2m (2008/09: £6.1m). Savings have been achieved through a reduction in headcount (average staff numbers have decreased in the year to 121 (2008/09: 154) – see note 8. The Group has also achieved annualised property cost savings of approximately £350,000 per year through a reduction in its leased office space in Milton Keynes and the subletting of 6,000 square feet of surplus office space at the Group's offices in Surrey.

Working capital

Despite the difficult trading conditions net cash borrowings have improved slightly to £0.67m (2008/09: £0.70m). This has been achieved through careful management of the Group's cash flows and strong credit control. Capital expenditure on tangible fixed assets, particularly motor vehicles, has been significantly reduced during the period to £50,000 (2008/09: £316,000). Net cash generated from operating activities was £307,000 (2008/09: £1,035,000).

Zubed development

As at 31 March 2010 the net book value of Zubed capitalised development cost relating totals £663,000 (2008/09: £515,000). Development costs capitalised in the year have reduced slightly to £349,000 (2008/09: £362,000). Total amortisation relating to Zubed development charged to the income statement in the period was £201,000 (2008/09 - £107,000).

Nick Burrows
Finance Director
15 June 2010

Directors' report
for the year ended 31 March 2010

The Directors present their report and the audited financial statements for the year ended 31 March 2010.

Principal activities

The principal activities of the Group during the year were that of resourcing, consultancy, software and systems delivery, and location intelligence.

Review of business

A review of the Group's business and future developments is contained within the Chairman's statement on page 2 and the Operating Review on page 3. The financial results of the Group are set out in the income statement on page 10 of these financial statements. The key measures used by the Group to monitor its performance are discussed below.

Key performance indicators

Financial and non-financial key performance indicators (KPIs) used by the Board to monitor progress are revenue, operating profit, gross margin, net borrowings and headcount. Financial KPIs are discussed in more detail in the Chairman's Statement on page 2.

These KPIs are summarised below;

	2010	2009
Revenue	**£27,176,000**	£32,770,000
Operating (loss)/profit	**£(455,000)**	£165,000
Gross margin	**17.4%**	19.0%
Net borrowings at 31 March	**£608,000**	£612,000

Principal risks and uncertainties

As with any business in the UK IT services market the Group faces a number of principal risks and uncertainties. These are summarised as follows;

General economic uncertainty and reduction in public sector spending
Like many businesses Triad is at risk of being affected by the consequences of the global economic slowdown and uncertainty over future economic conditions, in particular the impact on the Group of the recently announced reduction in public sector spending on IT projects and consultancy. The Board continually monitors the current and potential impact on the markets in which the Group operates and the Group's liquidity risk.

IT services market
The demand for IT services is affected by UK market conditions. The continual development of the Group's business into new niches and sectors is important in protecting the Group from fluctuations in market conditions.

Revenue visibility
The pipeline of contracted orders for time and materials consultancy work is relatively short. The Board carefully reviews forecasts to assess the level of risk arising from business that is forecast to be won.

Offshore competition
Offshore IT service companies, particularly those located in Asia and Eastern Europe, continue to exert downward pressure on fee rates. The Group continues to develop niche markets and focus on delivering effective solutions where close collaboration with the client is required.

Availability of staff
The ability to recruit and retain staff, and access to a large, appropriately skilled contractor resource are key to ensuring the ability to win and deliver IT services to our clients. The Group continues to actively recruit quality individuals, and ensures the contractor database is constantly updated and expanded.

Forward-looking Statements

The Chairman's Statement and Operating Review contain forward-looking statements. Due to the inherent uncertainties including both economic and business risk factors underlying such forward-looking information, the actual results of operations, financial position and liquidity may differ materially from those expressed or implied by these forward-looking statements.

Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chairman's statement, and Operating review on pages 2 to 4. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Chairman's statement on page 2 and in note 18 to the financial statements. In addition note 3 to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

As highlighted in note 18 to the financial statements, the Group meets its day to day working capital requirements through an invoice finance facility. The current economic conditions create uncertainty particularly over (a) the level of demand for the Group's services and (b) the availability of bank finance in the foreseeable future.

The Group's projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facility. The facility may be terminated by either party with one month's written notice. The board receives regular cash flow and working capital projections to enable it to monitor its available headroom under this facility. These projections indicate that the Group expects to have sufficient resources to meet its reasonably expected obligations. The bank has not drawn to the attention of the Group any matters to suggest that this facility will not be continued on acceptable terms.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Financial Instruments

The Board reviews and agrees policies for managing financial risk. These policies, together with an analysis of the Group' exposure to financial risks are summarised in note 3 of these financial statements.

Dividends

The Directors have neither declared an interim dividend nor do they recommend that a final dividend be paid in respect of the year ended 31 March 2010 (2009: nil per 1p ordinary share).

Directors' report
for the year ended 31 March 2010

Takeovers Directive

The following disclosures are made following the implementation of the EU Takeovers Directive into UK law and where such required information is not already provided elsewhere in this report.

Share capital
As at 31 March 2010, the Company's issued share capital comprised a single class of shares referred to as ordinary shares. Details of the ordinary share capital can be found in note 20 to these financial statements.

Voting rights
The Group's articles provide that on a show of hands at a general meeting of the Company every member who (being an individual) is present in person and entitled to vote shall have one vote and on a poll, every member who is present in person or by proxy shall have one vote for every share held. The notice of the annual general meeting specifies deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the annual general meeting.

Transfer of shares
There are no restrictions on the transfer of ordinary shares in the Company other than as contained in the articles;

- The Board may, in its absolute discretion, and without giving any reason for its decision, refuse to register any transfer of a share which is not fully paid up (but not so as to prevent dealing in listed shares from taking place) and on which the Company has a lien. The Board may also refuse to register any transfer unless it is in respect of only one class of shares, in favour of no more than four transferees, lodged at the Registered office, or such other place as the Board may decide, for registration, accompanied by a certificate for the shares to be transferred (except where the shares are registered in the name of a market nominee and no certificate has been issued for them) and such other evidence as the Board may reasonably require to prove the title of the intending transferor or his right to transfer the shares;

Certain restrictions may from time to time be imposed by laws and regulations, for example;

- Insider trading laws
- The Listing Rules of the Financial Services Authority whereby certain employees of the Group require the approval of the Company to deal in the Company's ordinary shares.

Appointment and replacement of directors
The Board may appoint Directors. Any Directors so appointed shall retire from office at the next annual general meeting of the Company, but shall then be eligible for re-appointment.

The current articles require that at the annual general meeting one third of the Directors shall retire from office but shall be eligible for re-appointment. The Directors to retire by rotation at each annual general meeting shall include any Director who wishes to retire and not offer himself for re-election and otherwise shall be the Directors who, at the date of the meeting, have been longest in office since their last appointment or re-appointment.

A Director may be removed from office by the service of a notice to that effect signed by at least three quarters of all the other Directors.

Amendment of the Company's Articles of Association
The Company's articles may only be amended by a special resolution passed at a general meeting of shareholders.

Charitable donations

The Group made charitable contributions of £nil (2009: £100).

Creditor payment policy

The Group's current policy concerning the settlement of debts is to make payments to creditors in accordance with agreed terms. The Group's average creditor payment period at 31 March 2010 was 25 days (2009: 21 days). See note 17.

Substantial shareholdings

In addition to the disclosure on page 34 of the interests of Directors who held office at the end of the financial year, the Company has been notified of the following substantial holdings in the share capital of the Company at 1 June 2010:

	Percentage of issued share capital
M Makar	29.76%
Liontrust Investment Services Ltd	11.12%
The Chatham Trust	4.79%

Employment policies

The Group is committed to equal opportunities and operates employment policies which are designed to attract, retain and motivate high quality staff, regardless of sex, age, race, religion or disability. The Group has a policy of supporting staff in long term career development.

The Group recognises the importance of having effective communication and consultation with, and of providing leadership to, all its employees, who are critical to its future success. The Group promotes the involvement of its employees in understanding the aims and performance of the business.

Auditors

A resolution to reappoint BDO LLP as auditors of the Company will be proposed at the next Annual General Meeting.

Directors

The Directors who held office during the financial year were:

Executive Directors

John Rigg, Chairman

Ian Haynes, Group Chief Executive

Nick Burrows, Group Finance Director
(appointed 19 October 2009)

Independent non-executive Directors

Alistair Fulton, senior independent non-executive Director
Steven Sanderson

Directors' report
for the year ended 31 March 2010

Biographical details of the present Directors of the Company are shown below:

John Rigg is Chairman. He is a chartered accountant. He was a founder of Marcol Group Plc and was its Managing Director from 1983 until 1988. Marcol was floated on the Unlisted Securities Market in 1987. He was Chairman of Vega Group plc from 1989 until 1996, holding the post of Chief Executive for much of this period. Vega floated on the main market in 1992. He was a founder shareholder of Triad and served as the Chairman of the Company from 1988 up to just before its flotation in 1996, when he resigned to develop new business interests overseas. He was appointed as non-executive Chairman in June 1999: in May 2004 he became part-time executive Chairman. Between 4 February 2005 and 5 September 2007 John was acting Group Chief Executive.

Alistair Fulton is a non-executive Director. He is a chartered engineer and member of the British Computer Society. He was the founding managing Director of Triad. He continued in this role until February 1997 when he became non-executive Chairman, a position he retained until June 1999, when he took up his present position. He is currently a non-executive Director of IT World Limited.

Ian Haynes was a founder member and has been a Director of Generic Software Consultants Limited from its formation in 1993 to 1995 when it was acquired by Triad. Since then he has been Managing Director of Generic, was appointed as an executive Director of Triad in August 1999 and was appointed Group Chief Executive in September 2007.

Steven Sanderson is a non-executive Director. He is a chartered accountant. He was appointed non-executive Director in January 2007. He has extensive experience at executive director level in the IT services and telecommunications sectors. His background includes public flotations, plc directorship, fund raising, acquisition and disposal activities.

Nick Burrows is a Chartered Accountant who joined Triad in 2001 as Financial Controller of the Systems and Consulting business. He was appointed Company Secretary in 2008 and executive Finance Director in October 2009.

Directors' emoluments are set out in the Remuneration Report on page 35 and are summarised in note 8 to the financial statements. Directors' interests are given in the Remuneration Report on page 34.

Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information of which the auditors are unaware and each Director has taken all reasonable steps to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Responsibility Statement

The Directors confirm that to the best of their knowledge;

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and Company, and
- the Directors' Report includes a fair review of the development of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties it faces.

By order of the Board

NE Burrows
Company Secretary
15 June 2010

Independent auditors' report
to the members of Triad Group Plc

We have audited the financial statements of Triad Group Plc for the year ended 31 March 2010 which comprise the Group and Parent Company balance sheets, the Group and Parent Company income statements, the Group and Parent Company cash flow statements, the Group and Parent Company statements of changes in equity 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.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the Parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the Parent Company's affairs as at 31 March 2010 and of the Group's and the Parent Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and

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 and the part of the directors' remuneration report to be audited 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.

Under the Listing Rules we are required to review:

- the directors' statement in relation to going concern and
- the part of the corporate governance statement relating to the Company's compliance with the nine provisions of the June 2008 Combined Code specified for our review.

David Eagle (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor

London
United Kingdom
Date 15 June 2010

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

Income statements
for the year ended 31 March 2010

Group and company	Note	2010 £'000	2009 £'000
Revenue		**27,176**	32,770
Cost of sales		**(22,453)**	(26,552)
Gross profit		**4,723**	6,218
Administrative expenses	5	**(5,178)**	(6,053)
Operating (loss)/profit	6	**(455)**	165
Finance income	7	**11**	18
Finance expense	7	**(169)**	(223)
Loss before tax		**(613)**	(40)
Tax expense	9	**-**	-
Loss for the year and total comprehensive expense attributable to equity holders of the parent		**(613)**	(40)
Basic earnings per share	11	**(4.05)p**	(0.26)p
Diluted earnings per share	11	**(4.05)p**	(0.26)p

Statements of changes in equity
for the year ended 31 March 2010

Group	Share Capital £'000	Share premium account £'000	Capital redemption reserve £'000	Retained earnings £'000	Total £'000
At 1 April 2009	151	562	104	861	1,678
Retained loss for the year	-	-	-	(613)	(613)
Share-based payments	-	-	-	8	8
At 31 March 2010	**151**	**562**	**104**	**256**	**1,073**
At 1 April 2008	151	562	104	895	1,712
Retained loss for the year	-	-	-	(40)	(40)
Share-based payments	-	-	-	6	6
At 31 March 2009	151	562	104	861	1,678

Company	Share Capital £'000	Share premium account £'000	Capital redemption reserve £'000	Retained earnings £'000	Total £'000
At 1 April 2009	151	562	104	856	1,673
Retained loss for the year	-	-	-	(613)	(613)
Share-based payments	-	-	-	8	8
At 31 March 2010	**151**	**562**	**104**	**251**	**1,068**
At 1 April 2008	151	562	104	890	1,707
Retained loss for the year	-	-	-	(40)	(40)
Share-based payments	-	-	-	6	6
At 31 March 2009	151	562	104	856	1,673

The share premium account represents the premium paid on the exercise of shares allotted under the Company share option scheme.

The capital redemption reserve represents the nominal value of the purchase and cancellation of its own shares by the Company in 2002.

Balance sheets
at 31 March 2010

	Note	Group 2010 £'000	Group 2009 £'000	Company 2010 £'000	Company 2009 £'000
Non-current assets					
Intangible assets	12	**672**	533	**672**	533
Property, plant and equipment	13	**220**	540	**220**	540
		892	1,073	**892**	1,073
Current assets					
Trade and other receivables	15	**6,300**	6,537	**6,300**	6,537
Cash and cash equivalents	16	**65**	86	**65**	86
		6,365	6,623	**6,365**	6,623
Total assets		**7,257**	7,696	**7,257**	7,696
Current liabilities					
Trade and other payables	17	**(4,016)**	(3,687)	**(4,021)**	(3,692)
Bank and other borrowings	18	**(673)**	(703)	**(673)**	(703)
Short term provisions	19	**(250)**	(266)	**(250)**	(266)
		(4,939)	(4,656)	**(4,944)**	(4,661)
Non-current liabilities					
Long term provisions	19	**(1,245)**	(1,362)	**(1,245)**	(1,362)
		(1,245)	(1,362)	**(1,245)**	(1,362)
Total liabilities		**(6,184)**	(6,018)	**(6,189)**	(6,023)
Net assets		**1,073**	1,678	**1,068**	1,673
Shareholders' equity					
Share capital	20	**151**	151	**151**	151
Share premium account		**562**	562	**562**	562
Capital redemption reserve		**104**	104	**104**	104
Retained earnings		**256**	861	**251**	856
Total shareholders' equity		**1,073**	1,678	**1,068**	1,673

The financial statements on pages 10 to 29 were approved by the Board of Directors and authorised for issue on 15 June 2010 and were signed on its behalf by:

AM Fulton **SM Sanderson**

Triad Group Plc is registered in England and Wales with registered number 2285049.

Cash flow statements
for the year ended 31 March 2010

Group and company	Note	2010 £'000	2009 £'000
Loss for the year		(613)	(40)
Adjustments for:			
Depreciation of property, plant and equipment		278	378
(Profit)/loss on disposal of property, plant and equipment		(12)	4
Amortisation of intangible assets		213	131
Finance income		(11)	(18)
Interest expense		28	68
Share-based payment expense		8	6
Changes in working capital			
Decrease in trade and other receivables		237	898
Increase/(decrease) in trade and other payables		329	(319)
Decrease in provisions		(133)	(23)
Cash generated by operations		324	1,085
Interest paid		(28)	(68)
Interest received		11	18
Tax paid		-	-
Net cash flows from operating activities		307	1,035
Cash flows used in investing activities			
Purchase of intangible assets		(352)	(368)
Purchase of property, plant and equipment		(50)	(316)
Proceeds from sale of property, plant and equipment		104	169
Net cash flows used in investing activities		(298)	(515)
Cash flows used in financing activities			
Finance lease principal payments		(5)	(11)
Net cash flows used in financing activities		(5)	(11)
Net increase in cash and cash equivalents		4	509
Cash and cash equivalents at beginning of the period		(612)	(1,121)
Cash and cash equivalents at end of the period	16	(608)	(612)

Notes to the financial statements
for the year ended 31 March 2010

1. Principal accounting policies

Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS and IFRIC interpretations), as adopted by the European Union (EU), issued by the International Accounting Standards Board (IASB) with those parts of the Companies Act 2006 applicable to companies preparing their accounts under IFRS.

These financial statements are presented in sterling, the functional currency of the Group.

Basis of consolidation

Where the Company has the power, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities, it is classified as a subsidiary. The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and any impairment in value.

Depreciation is calculated so as to write off the cost of assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

	%
Computer hardware	25-33
Motor vehicles	25-33
Fixtures and fittings	10-33

Intangible fixed assets

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product so that it will be available for use or sale
- adequate resources are available to complete the development
- there is an intention to complete the product and use or sell it
- the product will generate future economic benefits, internally and/or externally
- expenditure attributable to the development of the product can be measured reliably

Intangible fixed assets are stated at cost, net of accumulated amortisation and any impairment in value. The cost of internally developed software is the attributable salary costs and directly attributable overheads. The development cost of internally generated software is classified as assets under construction until the project stage is successfully completed and the business begins to receive economic gain: at this time, the asset is reclassified as internally generated software and amortisation commences.

Amortisation is calculated so as to write off the cost of assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. Amortisation is charged to administration expenses in the income statement. The principal annual rates used for this purpose are:

	%
Computer software	25-33

Impairment of non-financial assets

Impairment tests on intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount the asset is written down accordingly.

Trade and other receivables

Trade and other receivables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Amounts are charged to an impairment account when there is evidence that an impairment loss has occurred. Amounts are written off against the carrying amount of trade receivables when it is certain that the receivable will not be realised.

Cash

Cash in the balance sheet comprises cash held on demand with banks. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash, as defined above, net of bank borrowings due on demand.

Trade and other payables

Trade and other payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

The Group does not incur any interest costs that qualify for capitalisation under IAS23 "Borrowing Costs".

Leases

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.

Costs in respect of operating leases are charged to the income statement on a straight line basis over the lease term.

Assets held under finance leases are initially recognised as an asset at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Notes to the financial statements
for the year ended 31 March 2010

Foreign currencies
Assets and liabilities expressed in foreign currencies are translated into sterling at the exchange rate ruling on the balance sheet date. Transactions in foreign currencies are recorded at the exchange rate ruling as at the date of the transaction. All differences on exchange are taken to the income statement in the year in which they arise.

Revenue
Revenue, which excludes value added tax, represents the invoiced value of goods and services supplied: where a service has been provided, but not yet invoiced, the amount is included in the financial statements as accrued income.

Income from consultancy contracts, which are on a time hire basis, is recognised as the services are delivered.

Income from maintenance and fixed price consultancy and development contracts, is recognised over the life of the contract, using the percentage of completion method, and is deferred to the extent that it has not been earned.

Income from the sale of Zubed licences, or the Zubed licence component of any contract, is fully recognised at the point of sale, less any amounts attributable to maintenance and support, which are recognised over the life of the licence.

Exceptional items
Items which are both material and non-recurring are presented as exceptional items within their relevant consolidated income statement category. The separate reporting of exceptional items helps to provide a better indication of the Group's underlying business performance. Events which may give rise to the classification of items as exceptional, if of a significantly material value, include non-routine movements in provisions, litigation and similar settlements, and asset impairments.

Taxation
The charge for taxation is based on the profit or loss for the year as adjusted for disallowable items. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Full provision is made for deferred tax on all relevant temporary differences resulting from the difference between the carrying value of an asset or liability and its tax base. Deferred tax assets are recognised to the extent that it is probable that the deferred tax asset will be recovered in the foreseeable future. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled.

Pension costs
Contributions to defined contribution plans are charged to the income statement as the contributions accrue.

Share-based payments
Share-based incentive arrangements are provided to employees under the Group's share option scheme. Share options granted to employees since 7 November 2002 are valued at the date of grant using an appropriate option pricing model and are charged to operating profit over the performance or vesting period of the scheme. The annual charge is modified to take account of shares forfeited by employees who leave during the performance or vesting period and, in the case of non-market related performance conditions, where it becomes unlikely the option will vest.

New standards and interpretations
Applied

The Group has adopted the following new standards, amendments and interpretations during the year. Adoption of these standards, amendments and interpretations did not have any effect on the financial performance or position of the Group. These standards and interpretations have been adopted from 1 April 2009 unless stated otherwise.

International Financial Reporting Standards ("IFRS")

IFRS 8 *"Operating Segments"*

Amendments to existing standards

IFRS 2 *"Share-based Payment – Vesting Conditions and Cancellations"*

IFRS 7 *"Improving Disclosures about Financial Instruments"*

IAS 1 *"Presentation of Financial Statements – A Revised Approach"*

IAS 23 *"Borrowing Costs"*

IAS 32 *"Puttable Instruments and Obligations Arising on Liquidation"*

IAS 39 *"Financial Instruments: Embedded Derivatives"*

Improvements to International Financial Reporting Standards 2008

International Financial Reporting Interpretations Committee ("IFRIC") interpretations

IFRIC 13 *"Customer Loyalty Programmes"*

IFRIC 15 *"Agreements for the Construction of Real Estate"*

IFRIC 16 *"Hedges of a Net Investment in a Foreign Operation"*

IFRIC 18 *"Transfers of Assets from Customers", effective 1 July 2009*

Not applied

At the date of approval of these financial statements, the following relevant standards and interpretations were issued but not yet mandatory for the Group, and have not been applied in these financial statements. These standards and interpretations will be adopted from 1 April 2010 unless stated otherwise.

International Financial Reporting Standards ("IFRS")

IFRS 9 *"Financial Instruments", effective 1 April 2013*

Amendments to existing standards

IFRS 2 *"Group Cash Settled Share-Based Payment Transactions"*

IFRS 3 *"Business Combinations"*

IAS 24 *"Related Party Transactions", effective 1 April 2011*

IAS 27 *"Consolidated and Separate Financial Statements"*

IAS 28 *"Investments in Associates"*

IAS 31 *"Joint Ventures"*

IAS 32 *"Classification of Rights Issues"*

IAS 39 *"Financial Instruments: Recognition and Measurement"*

IFRIC 9 *"Reassessment of Embedded Derivatives"*

IFRIC 14 *"The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction", effective 1 April 2011*

IFRIC 16 *"Hedges of a Net Investment in a Foreign Operation"*

Improvements to International Financial Reporting Standards 2010

Notes to the financial statements
for the year ended 31 March 2010

International Financial Reporting Interpretations Committee ("IFRIC") interpretations

IFRIC 17 *"Distributions of Non-cash Assets to Owners"*

IFRIC 19 *"Debt-Equity Swaps", effective 1 April 2011*

The Directors anticipate that the adoption of the standards, amendments and interpretations in future periods will have no material impact on the Group's financial statements, except for additional disclosures, when the relevant standards come into effect.

2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Surplus property

Provision has been made to meet the estimated liabilities of any property surplus to the requirements of the business. All ongoing costs net of estimated future rental income are charged to the provision. The provision is discounted, unless the effect of the time value of money is not material (see note 19).

Management exercises judgement in estimating costs, rental incomes and the discount rate used in the calculation of the provision.

Were the discount rate to increase by 1% this would increase net income and equity by £54,000, and were the discount rate to decrease by 1% this would decrease net income and equity by £58,000.

Were 50% of the vacant property to be let for 3 years at a rental income that were 100% of cost this would increase net income and equity by £327,000.

Deferred tax asset

A deferred tax asset of £2,505,000 (2009: £2,346,000) has not been recognised because of the uncertainty of the timing of future profits. The unrecognised deferred tax asset may result in any future profits being charged to tax below the standard rate.

Revenue recognition

Revenue from maintenance and fixed price consultancy contracts is recognised over the life of the contract, using the percentage of completion method, and is deferred to the extent that it has not been earned. This requires the Group to estimate the services performed to date as a percentage of the total services to be performed. As at the balance sheet date, were the percentage of services performed to total services to be performed to differ by 10%, net income and equity would be increased by £27,000 if the percentage performed were increased, or net income and equity would be decreased by £102,000 if the percentage performed were decreased.

Revenue from consultancy contracts, which are on a time hire basis, is recognised as the services are delivered. This requires an assessment of services performed between the date of the last time sheet received and the balance sheet date. As at the balance sheet date, were the estimated amounts to differ by 10% this would increase/ decrease net income and equity by £12,000.

Revenue from Zubed licences is fully recognised at the point of sale providing there are no outstanding performance obligations. Any revenue attributable to further performance obligations such as maintenance and support, is estimated by attributing an appropriate profit margin to the estimated total cost of those obligations, and is recognised over the lifetime of the licence. As at the balance sheet date, were the estimates of the costs of providing all future performance obligations on recognised Zubed licence revenues to differ by 10%, this would increase/decrease net income and equity by £8,000.

Capitalisation of development costs

The development cost of internally generated software, costing £349,000 has been capitalised during the year. The net book value of capitalised development costs at the year end is £663,000 (2009: £515,000).

Management exercises judgement in estimating:

- the technical feasibility of developing a product so that it will be available for use or sale
- the future economic benefits that the product will generate

Critical judgements in applying the entity's accounting policies

In applying its accounting policies the Group has not been required to make any judgements, apart from those involving estimates, that have had a significant effect on the amounts recognised in these financial statements.

3. Financial risk management

The Group uses financial instruments that are necessary to facilitate its ordinary purchase and sale activities, namely cash, bank borrowings in the form of a receivables finance facility, finance leases and trade payables and receivables: the resultant risks are foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Group does not use financial derivatives in its management of these risks.

The Board reviews and agrees policies for managing these risks and they are summarised below. These policies are consistent with last year.

3.1 Financial risk factors

Foreign exchange risk

There are a small number of routine trading contracts with both suppliers and clients in euros. In all such circumstances the "back to back" contracts with supplier and client will be in the same currency thereby mitigating the Group's exposure to movements in exchange rates. Payments and receipts are made through a bank account in the currency of the contract: therefore balances held in any foreign currency are to facilitate day to day transactions. With a functional currency of sterling there are the following foreign currency net assets:

Group and company	Note	**2010 £'000**	2009 £'000
Currency: Euros			
Net cash	16	**65**	86
Trade and other receivables	15	**60**	77
Trade and other payables	17	**(31)**	(27)
		94	136

Any change in currency rates would have no significant effect on results.

Notes to the financial statements
for the year ended 31 March 2010

Interest rate risk
The Group's interest rate risk arises from its borrowings, which are at a rate that fluctuates in relation to movements in bank base rate. This facility, as detailed in note 18, is secured by way of a debenture over all assets. At the year end borrowing under this facility totalled £673,000 (2009: £698,000).

Cash balances are held in short term interest bearing accounts, repayable on demand: these attract interest rates which fluctuate in relation to movements in bank base rate. This maintains liquidity and does not commit the Group to long term deposits at fixed rates of interest.

A 1% change in interest rates would have changed net income and equity by £9,000.

Credit risk
The Group is mainly exposed to credit risk from credit sales. It is Group policy to assess the credit risk of new customers before entering into contracts. Each new customer is assessed, using external ratings and relevant information in the public domain, before any credit limit is granted. In addition, trade receivables balances are monitored on a regular basis to minimise exposure to bad debts. The amount charged to the income statement during the year in respect of bad debts was £38,000, being 0.14% of revenue (2009: £1,000, being 0.003%).

The Group is also exposed to credit risk from accrued income, being revenue earned but not yet invoiced (note 15).

Financial assets that are past due but not impaired are analysed in note 15. Each balance has been reviewed by management to assess its recoverability.

The Group also has credit risk from cash deposits with banks (note 16). The Group only banks with financial institutions with a good credit rating.

The Group's maximum exposure to credit risk is:

	Note	2010 £'000	2009 £'000
Trade and other receivables	15	**4,725**	5,015
Accrued income	15	**1,093**	1,103
Cash and cash equivalents	16	**65**	86
		5,883	6,204

Liquidity risk
The Group's liquidity risk arises from its management of working capital. The Group has a facility to borrow an amount up to 90% of approved trade debtors subject to a maximum limit of £6.6m. The facility may be terminated by either party with one month's written notice. The board receives regular cash flow and working capital projections to enable it to monitor its available headroom under this facility. At the balance sheet date these projections indicated that the Group expected to have sufficient liquid resources to meet its reasonably expected obligations. Maturity of financial liabilities is set out in notes 17 and 18.

Capital risk management
The Group's capital comprises both borrowings and shareholders' equity. Its objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to maximise shareholder value. To maintain or adjust the capital structure the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or alter the level of borrowings.

3.2 Fair value estimation

The carrying value of financial assets and liabilities approximate their fair values.

4. Segmental reporting

From 1 April 2009, the Group has adopted IFRS 8 Segmental Reporting. The Group derives its revenue from two operating segments, which offer different services, being resourcing, consultancy, software and systems delivery and the Group's location intelligence business, Zubed.

Revenue

	2010 £'000	2009 £'000
Resourcing, consultancy and solutions	**26,673**	32,701
Zubed	**503**	69
	27,176	32,770

Operating result after exceptional items

	2010 £'000	2009 £'000
Resourcing, consultancy and solutions	**32**	850
Zubed	**(487)**	(685)
	(455)	165

Intangible assets
Internally developed software: net book value

	2010 £'000	2009 £'000
Resourcing, consultancy and solutions	**3**	8
Zubed	**660**	507
	663	515

Other assets are not reported internally by segment as management do not require such information to manage the business, so no such segmental information is presented.

The Group operates solely in the UK. All material revenues are generated in the UK.

34% (2009: 30%) of revenue was generated in the public sector. The largest single customer contributed 9% (2009: 6%) of revenue and was in the private sector.

Notes to the financial statements
for the year ended 31 March 2010

5. Administrative expenses

There was an exceptional administrative charge in 2009 of £70,000, resulting from a change in the discount rate used in the calculation of the provision relating to the vacant property. The discount rate applied in the calculation of the provision is based on the Group's estimated long term weighted average cost of capital, which changed from 9.71% to 8.50%

	Note	2010 £'000	2009 £'000
Administrative expenses		**5,178**	5,983
Exceptional administrative charge: change in surplus property provision	19	**-**	70
Total administrative expenses		**5,178**	6,053

6. Operating loss/profit

Operating loss/profit is stated after charging/(crediting):

	2010 £'000	2009 £'000
(Profit)/loss on disposal of tangible fixed assets	**(12)**	4
Depreciation of owned assets	**273**	368
Depreciation of leased assets	**5**	10
Amortisation of intangible assets	**213**	131
Operating leases for land and buildings	**661**	709
Impairment of receivables	**38**	1
Auditors' remuneration:		
Audit of financial statements: Group and company	**42**	47
Other services	**5**	11

7. Finance income and expense

	2010 £'000	2009 £'000
Finance income		
Bank interest receivable	**11**	2
Net foreign exchange gain	**-**	16
Total finance income	**11**	18
Finance expense		
Bank interest payable	**(28)**	(67)
Finance lease interest	**-**	(1)
Total interest expense	**(28)**	(68)
Unwinding of discount on provisions	**(135)**	(155)
Net foreign exchange loss	**(6)**	-
Total finance expense	**(169)**	(223)
Net finance expense recognised in profit and loss	**(158)**	(205)

Notes to the financial statements
for the year ended 31 March 2010

8. Employees and Directors

Group and company

	2010 Number	2009 Number
Average number of persons (including executive Directors) employed		
Senior management	**7**	7
Fee earners	**59**	76
Sales	**32**	41
Administration and finance	**23**	30
	121	154

Staff costs for the above persons (including executive Directors)

	£'000	£'000
Wages and salaries	**5,923**	6,935
Social security costs	**659**	770
Defined contribution pension costs	**234**	132
Equity settled share-based payments	**8**	6
	6,824	7,843

Directors

	£'000	£'000
Emoluments	**328**	301
Money purchase pension contributions	**14**	10
	342	311

Two Directors (2009: one) had retirement benefits accruing under money purchase pension schemes.

9. Tax expense

	2010 £'000	2009 £'000
Tax expense in income statement	**-**	-

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

	2010 £'000	2009 £'000
Loss before tax	**(613)**	(40)
Loss before tax multiplied by standard rate of corporation tax in the UK of 28% (2009: 28%)	**(172)**	(11)
Effects of:		
Expenses not deductible for tax purposes	**12**	17
Adjustments in respect of previous periods	**-**	2
Movement in unrecognised deferred tax asset in respect of operating losses	**155**	-
Movement in unrecognised deferred tax asset in respect of temporary differences	**5**	(8)
Total tax charge for the year	**-**	-

Notes to the financial statements

for the year ended 31 March 2010

A deferred tax asset of £2,508,000 (2009: £2,346,000) has not been recognised because of the uncertainty of the timing of future profits. The unrecognised deferred tax asset may result in any future profits being charged to tax below the standard rate.

Group and company	2010 £'000	2009 £'000
Accelerated depreciation	**98**	123
Other temporary differences	**1**	5
Losses carried forward indefinitely	**2,409**	2,218
Unrecognised deferred tax asset	**2,508**	2,346

10. Dividends

No dividends have been paid or proposed for year ended 31 March 2010 (2009: nil).

11. Earnings per ordinary share

Earnings per share has been calculated on the loss for the year divided by the weighted average number of shares in issue during the period based on the following:

	2010	2009
Loss for the year	**£(613,000)**	£(40,000)
Average number of shares in issue	**15,149,579**	15,149,579
Effect of dilutive options*	**-**	-
Average number of shares in issue plus dilutive options	**15,149,579**	15,149,579
Basic earnings per share	**(4.05)p**	(0.26)p
Diluted earnings per share	**(4.05)p**	(0.26)p

* The share options have no dilutive effect in either the current or previous years. Potentially dilutive share options are disclosed in Note 21.

Notes to the financial statements

for the year ended 31 March 2010

12. Intangible assets

Group and company

	Purchased software	Internally developed software	Assets under construction	Total
	£'000	£'000	£'000	£'000
Cost				
At 31 March 2008	562	466	248	1,276
Additions	6	362	-	368
Disposals	-	-	-	-
Transfers	-	248	(248)	-
At 31 March 2009	568	1,076	-	1,644
Additions	3	349	-	352
Disposals	-	-	-	-
At 31 March 2010	**571**	**1,425**	**-**	**1,996**
Accumulated amortisation				
At 31 March 2008	526	454	-	980
Charge for the year	24	107	-	131
Disposals	-	-	-	-
At 31 March 2009	550	561	-	1,111
Charge for the year	12	201	-	213
Disposals	-	-	-	-
At 31 March 2010	**562**	**762**	**-**	**1,324**
Net book value				
At 31 March 2010	**9**	**663**	**-**	**672**
At 31 March 2009	18	515	-	533

The development cost of internally generated software is classified as assets under construction until the project stage is successfully completed and the business begins to receive economic gain.

Notes to the financial statements
for the year ended 31 March 2010

13. Property, plant and equipment

Group and company	Computer Hardware £'000	Fixtures & fittings £'000	Motor vehicles £'000	Total £'000
Cost				
At 31 March 2008	616	945	920	2,481
Additions	18	17	281	316
Disposals	(101)	(9)	(379)	(489)
At 31 March 2009	533	953	822	2,308
Additions	15	4	31	50
Disposals	-	-	(288)	(288)
At 31 March 2010	**548**	**957**	**565**	**2,070**
Accumulated depreciation				
At 31 March 2008	518	879	309	1,706
Charge for the year	53	38	287	378
Disposals	(99)	(7)	(210)	(316)
At 31 March 2009	472	910	386	1,768
Charge for the year	38	28	212	278
Disposals	-	-	(196)	(196)
At 31 March 2010	**510**	**938**	**402**	**1,850**
Net book value				
At 31 March 2010	**38**	**19**	**163**	**220**
At 31 March 2009	61	43	436	540

The net carrying amount of property, plant and equipment includes the following amounts in respect of assets held under finance leases (see note 18):

	2010 £'000	2009 £'000
Fixtures and fittings	-	5
	-	5

Notes to the financial statements
for the year ended 31 March 2010

14. Investments

Company

Investments are:

(a) Generic Software Consultants Limited ("Generic"), a 100% subsidiary undertaking, in respect of both voting rights and issued shares, which is registered in England and Wales and has an issued share capital of 5,610 US$1 ordinary shares.

The investment is stated in the Company's books at £440.

Up to 31 March 2009 Generic acted as an agent for the business, but did not enter into any transactions in its own right: its business was included within the figures reported by the Company. On 1 April 2009 the agency agreement was terminated and all business is now conducted directly by the parent company through its Generic business.

(b) Triad Special Systems Limited, Generic Online Limited, Zubed Geospatial Limited, Zoobed Limited, Zubed Sales Limited, Zubed Saas Limited, Zubed Caas Limited and Zubed Analytics Limited are all 100% subsidiaries which are registered in England and Wales. They are dormant companies, which have never traded. Each has a share capital of £1.

15. Trade and other receivables

Group and company	2010 £'000	2009 £'000
Trade receivables	**4,757**	5,018
Less: provision for impairment of trade receivables	**(38)**	(6)
Trade receivables-net	**4,719**	5,012
Other debtors	**6**	3
Prepayments and accrued income	**1,575**	1,522
	6,300	6,537

The fair value of trade and other receivables approximate closely their book value.

Trade receivables are normally on 30 days payment terms. As at 31 March 2010 trade receivables of £1,433,000 (2009: £2,009,000) were past due but not impaired. They relate to customers with no default history. The total number of customer ledger balances at 31 March 2010 was 161 (2009: 248). The ageing analysis of these receivables is as follows:

Group and company	2010 £'000	2009 £'000
Up to 30 days past due	**1,017**	1,524
30 to 60 days past due	**249**	374
Over 60 days past due	**167**	111
	1,433	2,009

Notes to the financial statements
for the year ended 31 March 2010

Movements on the provision for impairment of trade receivables is as follows:

Group and company	2010 £'000	2009 £'000
At beginning of the year	6	28
Charged to income statement	38	1
Credited to income statement	(1)	(23)
Receivables written off as uncollectable	(5)	-
At end of the year	38	6

The carrying amount of the Group's trade and other receivables are denominated in the following currencies:

Group and company	2010 £'000	2009 £'000
Sterling	6,240	6,460
Euros	60	77
	6,300	6,537

Debtor days are calculated by matching year end debtor balances to most recent sales on a day by day basis.

16. Cash and cash equivalents

Group and company	2010 £'000	2009 £'000
Cash available on demand	65	86

The fair value of cash and cash equivalents approximate closely their book value.

The carrying amount of the Group's cash and cash equivalents is denominated in the following currencies:

Group and company	2010 £'000	2009 £'000
Sterling	-	-
Euros	65	86
	65	86

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash, as detailed above, net of bank borrowings repayable on demand.

Group and company	2010 £'000	2009 £'000
Cash available on demand	65	86
Bank borrowings repayable on demand	(673)	(698)
	(608)	(612)

Notes to the financial statements
for the year ended 31 March 2010

17. Trade and other payables

	Group 2010 £'000	Group 2009 £'000	Company 2010 £'000	Company 2009 £'000
Trade payables	**1,669**	1,890	**1,669**	1,890
Other taxation and social security	**735**	557	**735**	557
Owed to subsidiary	**-**	-	**5**	5
Accruals and deferred income	**1,612**	1,240	**1,612**	1,240
	4,016	3,687	**4,021**	3,692

The maturity date of the Group's trade and other payables is as follows:

	2010 £'000	2009 £'000
Up to 3 months	**3,783**	3,421
3 to 6 months	**87**	96
6 to 12 months	**146**	170
	4,016	3,687

The fair value of trade and other payables approximate closely their book value.

The carrying amount of the Group's trade payables is denominated in the following currencies:

Group and company	2010 £'000	2009 £'000
Sterling	**3,985**	3,660
Euros	**31**	27
	4,016	3,687

Creditor days are calculated with reference to purchases in the last quarter of the financial year.

18. Bank and other borrowings

Group and company	2010 £'000	2009 £'000
Current		
Finance lease obligations	**-**	5
Borrowings	**673**	698
	673	703

The fair value of bank and other borrowings approximate closely their book value.

The carrying amount of the Group's financial liabilities is all denominated in pounds.

Notes to the financial statements
for the year ended 31 March 2010

Borrowings

Bank borrowings are in the form of a receivables finance facility to borrow an amount up to 90% of approved trade debtors subject to a maximum limit of £6.6m. This facility is secured by way of a debenture over all assets, being £7.3m at 31 March 2010. Bank borrowings are repayable upon demand.

Finance lease obligations

Group and company	2010 £'000	2009 £'000
The minimum lease payments under finance leases fall due as follows:		
IIn one year or less	-	5
In more than one year, but not more than 5 years	-	-
	-	5
Future finance charges on finance leases	-	-
Present value of finance lease liabilities	-	5

19. Provisions

Group and company	Provision for vacant properties £'000	Provision for property dilapidation £'000	Total £'000
At 1 April 2009	1,592	36	**1,628**
Charged to income statement	-	7	**7**
Utilised in year	(252)	(23)	**(275)**
Unwinding of discount: passage of time (note 7)	135	-	**135**
At 31 March 2010	**1,475**	**20**	**1,495**

The maturity profile of the present value of provisions is as follows:

Current	234	16	**250**
Non-current	1,241	4	**1,245**
	1,475	20	**1,495**

Notes to the financial statements
for the year ended 31 March 2010

The provision for vacant properties covers the anticipated future costs of rent, rates and other outgoings in respect of unoccupied property, less anticipated future rental income. It has been calculated on the basis of when the property is anticipated to be sub-let. These liabilities have been discounted therefore there is no material difference between the value of the provision recorded in the accounts and the fair value. The maturity profile of the carrying amount of this provision as at 31 March 2010 is as follows:

Group and company	2010 £'000	2009 £'000
In one year or less	**234**	232
In more than one year, but not more than 2 years	**218**	216
In more than 2 years, but not more than 5 years	**567**	561
In more than 5 years	**456**	583
	1,475	1,592

The provision for property dilapidation covers the estimated future costs required to meet obligations under property leases to redecorate and repair property.

20. Share capital

	2010	2009
Ordinary shares of 1p each		
Issued, called up and fully paid:		
Number	**15,149,579**	15,149,579
Nominal value	**£151,496**	£151,496

21. Share-based payments

At 31 March 2010 1,460,504 options granted under employee share option schemes remain exercisable:

Number	Exercise price	Performance criteria	Period options exercisable
5,820	207.5p	1	10 July 2003 to 10 July 2010
7,180	210.0p	1	10 July 2003 to 10 July 2010
472,504	26.5p	2	25 September 2005 to 25 September 2012
200,000	25.0p	2	4 October 2005 to 4 October 2012
340,000	51.5p	2	8 March 2009 to 8 March 2016
435,000	14.0p	3	7 August 2011 to 7 August 2018

1 **Performance criteria:** that, over a period consisting of any three consecutive financial years, starting not earlier than the beginning of the financial year commencing immediately before the date of grant, the percentage increase in the Company's earnings per share is equal to or greater than the increase in the United Kingdom Retail Prices Index over the same three consecutive financial years.

2 **Performance criteria:** that, the Company shall have achieved a positive basic earnings per share (subject to adjustment to exclude identified exceptional items), as reported in its audited annual accounts, in any financial year commencing at least one year after the date of grant.

3 **Performance criteria:** that if, but only if, the total Earnings per Share of the Company in the period of the three years ending 31 March 2011 exceeds 9.5p per share, and the amount of Earnings per Share for each of those years is a positive amount, then an Option shall become exercisable in respect of 50% of the shares over which it subsists. If, but only if, the total Earnings per Share of the Company in the period of three years ending 31 March 2011 exceeds 19p per share, and the amount of Earnings per Share for each of those years is a positive amount, then an Option shall become exercisable in respect of 100% of the shares over which it subsists.

Notes to the financial statements
for the year ended 31 March 2010

The options outstanding at 31 March 2010 had a weighted average remaining contractual life of 4.8 years.

Options have been valued using the Black-Scholes option-pricing model. No performance conditions were included in the fair value calculations. In accordance with the transition provisions, IFRS 2 has been applied to all grants after 7 November 2002 that were unvested as of 1 January 2006.

In respect of options granted during the previous year the fair value per option granted and the assumptions used in the calculation were as follows;;

Date of grant	7 August 2008
Number of options granted	490,200
Weighted average share price	14.0p
Weighted average exercise price	14.0p
Expected volatility	55%
Expected life	4 years
Risk free rate	4.20%
Expected dividends	0
Fair value	6.53p

The expected volatility is based on historical volatility over the last three years. The expected life is the expected period to exercise. The risk free rate of return is the yield on zero-coupon UK government bonds of a term consistent with the assumed option life.

The total expense recognised in the year is £8,285 (2009: £6,419).

A reconciliation of option movements over the year to 31 March 2010 is shown below:

	2010		2009	
	Number of options	**Weighted average exercise price Pence**	Number of options	Weighted average exercise price Pence
Outstanding at start of year	**1,545,496**	**37.5**	1,146,540	37.8
Granted	**-**	**-**	490,200	14.0
Forfeited	**(84,992)**	**35.1**	(91,244)	37.3
Lapsed	**-**	**-**	-	-
Outstanding at end of year	**1,460,504**	**30.0**	1,545,496	30.3
Exercisable at end of year	**1,025,504**	**36.8**	1,070,296	37.5

There were no options exercised during the year.

The above figures include options held by Directors which are set out in the Directors' Remuneration Report on page 35.

Notes to the financial statements
for the year ended 31 March 2010

22. Commitments and contingent liabilities

The Group had no capital commitments at 31 March 2010 or 31 March 2009.
The future aggregate minimum lease payments under non-cancellable operating leases, all of which relate to property, is:

	2010 £'000	2009 £'000
Not later than 1 year	**563**	644
Later than 1 year and no later than 5 years	**1,580**	1,655
Later than 5 years	**1,185**	1,580
	3,328	3,879

23. Related party transactions

The Group rents offices under contracts expiring in 2018. The current annual rents of £395,000 were fixed, by independent valuation, for a five year period at the last rent review in 2008. JC Rigg, a Director, has notified the Board that he has a 50% beneficial interest in these contracts. The balance owed at the year end was £nil (2009: £nil).

Key management comprises the Board of Directors and their remuneration is set out in the directors' remuneration Report on page 35.

Five year record

Consolidated income statement

Years ended 31 March	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Revenue	**27,176**	32,770	33,294	36,081	42,725
Gross profit	**4,723**	6,218	6,078	6,290	6,718
(Loss)/profit on ordinary activities before taxation	**(613)**	(40)	(698)	(995)	(791)
Taxation on (loss)/profit on ordinary activities	**-**	-	-	(206)	(16)
(Loss)/profit on ordinary activities after taxation	**(613)**	(40)	(698)	(1,201)	(807)
Dividends	**-**	-	-	-	-
(Sustained loss)/retained profit for the financial year	**(613)**	(40)	(698)	(1,201)	(807)
Basic (loss)/ earnings per ordinary share of 1p each (pence)	**(4.05)**	(0.26)	(4.61)	(7.93)	(5.33)

Balance sheet

As at 31 March	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Non-current assets	**892**	1,073	1,071	737	1,049
Current assets	**6,365**	6,623	7,571	9,333	10,103
Current liabilities	**(4,939)**	(4,656)	(5,512)	(6,417)	(5,878)
Non-current liabilities	**(1,245)**	(1,362)	(1,418)	(1,271)	(1,719)
Net assets	**1,073**	1,678	1,712	2,382	3,555
Share capital	**151**	151	151	151	151
Share premium account	**562**	562	562	562	562
Capital redemption reserve	**104**	104	104	104	104
Retained earnings	**256**	861	895	1,565	2,738
Equity shareholders' funds	**1,073**	1,678	1,712	2,382	3,555

Corporate governance

The Board has considered the principles and provisions of the Combined Code (2008) ("the Code") as set out in the Financial Services Authority's Listing Rules and applicable for this financial period. The following statement sets out the Group's application of the principles of the Code and the extent of compliance with the Code's provisions, made in accordance with the requirements of the Listing Rules.

Board composition and structure

At the date of this Report the Board has five members: the executive Chairman, two executive Directors and two independent non-executive Directors.

The Board exercise full and effective control of the Group.

The Board has a formal schedule of matters specifically reserved to it for decision, including responsibility for formulating, reviewing and approving Group strategy, budgets and major items of capital expenditure.

Regularly the Board will consider and discuss matters which include, but are not limited to:

- Strategy
- Financial performance and forecast
- Human resources
- City and compliance matters

During the period under review, and to date, the Chairman has held, and continues to hold, no significant commitments outside the Group.

Alistair Fulton is the nominated senior independent non-executive Director. He has long standing industry experience. He is also free from any business or other relationship which could materially interfere with the exercise of his independent judgement. The Board benefits from this experience and independence, when he brings his individual judgement to Board decisions. He has been a non-executive Director for ten years but the Board consider that he continues to remain independent for the reasons stated above.

The Group has a procedure for Directors to take independent professional advice in connection with the affairs of the Group and the discharge of their duties as Directors.

The Chairman and the non-executive Directors are subject to a notice period of one month.

Directors' training

Any new Board members are made fully aware of their duties and responsibilities as Directors of listed companies, and are supported in understanding and applying these by established and more experienced Directors. Further training is available for any Director at the Group's expense should the Board consider it appropriate in the interests of the Group.

Relations with shareholders

Substantial time and effort is spent by Board members on meetings with and presentations to existing and prospective investors. The views of shareholders derived from such meetings is disseminated by the Chairman to other Board members.

Private shareholders are invited to attend and participate at the Annual General Meeting.

Audit Committee

The Board has an Audit Committee, comprised of the Chairman John Rigg, and the independent non-executive Directors, Alistair Fulton and Steven Sanderson. The Committee is chaired by Alistair Fulton.

The Board believe that John Rigg and Steven Sanderson, both chartered accountants with broad experience of the IT industry, and Alistair Fulton, who has been a Director of companies in the IT sector for over 20 years, have recent and relevant financial experience, as required by the Code.

The Audit Committee is responsible for reviewing the Group's annual and interim financial statements and other announcements. It is also responsible for reviewing the Group's internal financial controls and its internal control and risk management systems.

It considers the appointment and fees of external auditors, and discusses the audit scope and findings arising from audits. The Committee is also responsible for assessing the Group's need for an internal audit function.

Staff may contact the senior independent non-executive Director, in confidence, to raise genuine concerns of possible improprieties in financial reporting or other matters.

Remuneration Committee

The Board has a Remuneration Committee, comprised of the Chairman John Rigg, and the independent non-executive Directors, Alistair Fulton and Steven Sanderson. The Committee is chaired by Alistair Fulton.

Its key role is to determine executive Directors' remuneration. Details of how the aspects of the Code relating to Directors' remuneration are applied are disclosed in the Directors' Remuneration Report on page 34.

Corporate governance

Terms of reference

The terms of reference of the Audit and Remuneration Committees are available on request from the Company Secretary.

Board attendance

The following table shows the attendance of Directors at scheduled meetings of the Board and Audit and Remuneration Committees during the year ended 31 March 2010.

Number of meetings held

	Board	Audit committee	Remuneration committee
Executive Directors:			
John Rigg (Chairman)	13	2	2
Ian Haynes	13	n/a	n/a
Nick Burrows	5	n/a	n/a
Non-executive Directors:			
Alistair Fulton	12	2	2
Steven Sanderson	13	2	2

Accountability and audit

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual 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 are required to prepare the Group 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 Company and of the profit or loss for the Group and Company 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 they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare a Director's Report and Director's Remuneration Report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

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

Directors' responsibilities pursuant to DTR4

The Directors confirm to the best of their knowledge:

- The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation and give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group.
- The annual report includes a fair review of the development and performance of the business and the financial position of the Group and the Parent Company, together with a description or the principal risks and uncertainties that they face.

Going concern

After making appropriate inquiries, the Directors have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. See Director's Report on page 6.

Internal controls

The Board has applied the internal control provisions of the Combined Code by establishing a continuous process for identifying, evaluating and managing the significant risks faced by the Group. The Board regularly reviews the process, which has been in place from the start of the year to the date of approval of this report and which is in accordance with internal control: Guidance for Directors on the Combined Code published September 1999. The Board is responsible for the Group's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against misstatement or loss.

In compliance with the Combined Code, the Audit Committee regularly reviews the effectiveness of the Group's system of internal financial control. The Board's monitoring covers all controls, including financial, operational and compliance controls and risk management. It is based principally on reviewing reports from management to consider whether significant weaknesses are promptly remedied and indicate a need for more extensive monitoring.

Corporate governance

The Board has also performed a specific assessment for the purpose of this annual report. This assessment considers all significant aspects of internal control arising during the period covered by the report.

The key elements of the internal control system are described below:

- Clearly documented procedures contained in a series of manuals covering Group operations and management, which are subject to internal project audit and external audit as well as regular Board review.
- An appropriate budgeting process where the business prepares budgets for the coming year, which are approved by the Board.
- Close involvement in the day to day management of the business by the executive Directors.
- Regular meetings between the Chairman and full-time executive Directors to discuss and monitor potential risks to the business.

The Audit Committee has considered the need for a separate internal audit function this year but does not consider it appropriate in view of the above controls, and in light of the size of the Group. The Group is certified to ISO 9001: 2000.

Statement of compliance

The Board considers that it has been compliant with the provisions of the Code for the whole of the period, except as detailed below:

A.4.1/ 4.6 *There should be a nominations committee which should lead the process for board appointments and make recommendations to the board.* The Board considers that because of its size, the whole Board should be involved in Board appointments.

A.6 *The board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual directors.* There is a process of continuous informal evaluation, due to the small size of the Board.

A.7.2 *Non-executive directors should be appointed for specified terms. Although not appointed for fixed terms, Non-executive Directors are subject to re-election by rotation every three years at the Annual General Meeting.* Their contracts are subject to a notice period that does not exceed one month.

Non-executive directors may serve longer than nine years, subject to annual re-election. The Board consider that because of its size, re-election by rotation every three years at the Annual General Meeting is sufficient.

By order of the Board

NE Burrows
Company Secretary
15 June 2010

Directors' remuneration report

Unaudited information

Remuneration committee

The Remuneration Committee has, during the year, been comprised of the Chairman and the independent non-executive Directors. These are:

A M Fulton (Chairman of the Remuneration Committee)

J C Rigg

S M Sanderson

The Group's Remuneration Committee is authorised to take appropriate counsel to enable it to discharge its duty to make recommendations to the Board in respect of all aspects of the remuneration package of Directors.

Remuneration policy

The Group's remuneration policy is to provide remuneration packages which secure and retain management of the highest quality. Therefore when determining the remuneration packages of executive Directors, the Remuneration Committee considers a number of factors including:

- the salaries and benefits available to executive Directors of comparable companies;
- the need to ensure executive Directors' commitment to the continued success of the Group;
- the experience of each executive Director; and
- the nature and complexity of the work of each executive Director.

The resultant remuneration packages for executive Directors comprise the following elements:

- a competitive basic salary;
- contributions to personal pension schemes or a cash alternative;
- employment related benefits including the provision of a company car or car allowance, life assurance and medical assurance;
- discretionary share options; and
- discretionary performance-related remuneration

It is the Group's policy to contribute to the personal pension scheme of each executive Director. A Director may elect to receive an equivalent cash alternative.

There is no scheme providing entitlement to share options, and there is no long-term incentive scheme. The Group does not believe that performance related bonuses are appropriate at the present time. The executive Directors' existing interest in shares and share options are expected to align their interests with those of shareholders.

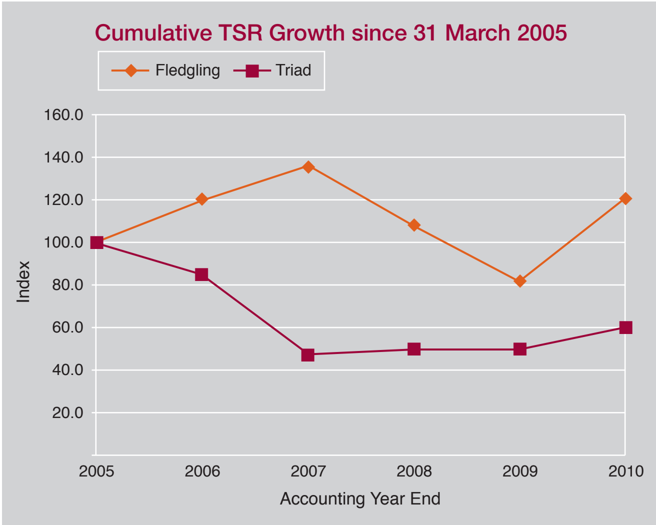
It is the Group's policy in relation to Directors' contracts that:

- executive Directors should have contracts with an indefinite term providing for a maximum of six months notice by either party.
- non-executive Directors should have terms of engagement for an indefinite term providing for one month notice by either party.
- there is no provision for termination payments to Directors.

The remuneration of the non-executive Directors is agreed by the Board. However no Director is involved in deciding their own remuneration.

Performance graph

The following graph shows the Group's performance, measured by total shareholder return, compared with the performance of the FTSE Fledgling Index ("FTSEFI") also measured by total shareholder return ("TSR"). The FTSEFI has been selected for this comparison because it is an index of companies with similar current market capitalisation to Triad Group Plc.



Directors' contracts

The details of the Directors' contracts are summarised as follows:

	Date of contract	Notice period
I M Haynes	20/08/1999	6 months
J C Rigg	01/07/1999	1 month
A M Fulton	19/02/1997	1 month
S M Sanderson	01/01/2007	1 month
N E Burrows	19/10/2009	6 months

All contracts are for an indefinite period. No contract has any provision for the payment of compensation upon the termination of that contract.

Directors' interests in shares

The Directors who held office at the end of the financial year had the following beneficial interests in the ordinary shares of the Company. No change has occurred between the year end and the date of this report.

	1 April 2009	31 March 2010
A M Fulton	354,100	354,100
J C Rigg	4,509,400	4,509,400
I M Haynes	355,000	355,000
S M Sanderson	86,106	86,106
N E Burrows	7,893	7,893

Directors’ remuneration report

Audited information

Directors' emoluments

The emoluments of each of the Directors for the period they served as a Director are set out below:

Director	Basic salary and fees £’000	Discretionary bonus £’000	Expense allowances £’000	Benefits in kind £’000	**2010 Total £’000**	2009 Total £’000
Executive						
J C Rigg	25	-	-	-	**25**	25
I M Haynes	200	-	10	5	**215**	224
N E Burrows (appointed 19.10.09)	39	-	-	4	**43**	-
Non-executive						
A M Fulton	25	-	-	-	**25**	32
S M Sanderson	20	-	-	-	**20**	20
	309	-	10	9	**328**	301

Expense allowances include car allowances and payments in lieu of pensions and other benefits.

Benefits in kind include the provision of medical insurance.

Directors’ pension entitlements are shown on page 36.

Directors’ share options

The interests of executive Directors in share options were as follows:

	At beginning of year	Granted during year	Exercised during year	At end of year	Exercise price	Exercise period
I M Haynes:						
granted 04.10.02	200,000	-	-	**200,000**	25.0p	04.10.05 to 04.10.12
granted 07.08.08	100,000	-	-	**100,000**	14.0p	07.08.11 to 07.08.18
N E Burrows :						
granted 25.09.02	15,000	-	-	**15,000**	26.5p	25.09.05 to 25.09.21
granted 07.03.06	20,000	-	-	**20,000**	51.5p	07.03.09 to 07.03.16
granted 07.08.08	25,000	-	-	**25,000**	14.0p	07.08.11 to 07.08.18
	360,000	**-**	**-**	**360,000**		

Directors' remuneration report

Share options are exercisable provided that the relevant performance requirement has been satisfied.

- The performance requirement in relation to the options granted in 2002 and 2006 is that the Group shall have achieved positive earnings per share in any financial year commencing at least one year after the date of grant of the option. This performance requirement is the same as that applying to employee share options granted at the same time.
- The performance requirement in relation to the options granted in 2008 is that if, but only if, the total Earnings per Share of the Group in the period of the three years ending 31 March 2011 exceeds 9.5p per share, and the amount of Earnings per Share for each of those years is a positive amount, then an Option shall become exercisable in respect of 50% of the shares over which it subsists. If, but only if, the total Earnings per Share of the Group in the period of three years ending 31 March 2011 exceeds 19p per share, and the amount of Earnings per Share for each of those years is a positive amount, then an Option shall become exercisable in respect of 100% of the shares over which it subsists.

The total share based payment expense recognised in the year in respect of Directors share options is £2,723 (2009: £1,413).

The market price of the Company's shares was 30.0p at 31 March 2010 and the range during the year was between 48.5p and 24.5p.

Directors' pension entitlement

Two Directors are members of money purchase schemes into which the Group made contributions during the year. The contributions paid by the Group in respect of these Directors is as follows:

	2010 £'000	2009 £'000
I M Haynes	**10**	10
N E Burrows (appointed 19.10.09)	**4**	-

Pension contributions for N Burrows are greater than the 5% of salary shown as it includes an additional amount of £2,000 relating to the Group's salary exchange scheme. This reflects a sacrifice from his salary plus the resulting National Insurance saving for the company (12.8% of the sum sacrificed).

Long term incentive scheme

The Group does not operate a long term incentive scheme.

Compliance

This report has been prepared in accordance with the Directors' Remuneration Report Regulations 2003. The report also meets the relevant requirements of the Financial Services Authority's Listing Rules and describes how the Board has applied the Principles of Good Governance relating to Directors' remuneration. As required by the Regulations, a resolution to approve the report will be proposed at the Annual General Meeting.

By order of the Board

NE Burrows
Company Secretary
15 June 2010

Corporate information

Executive Directors
John Rigg, Chairman
Ian Haynes
Nick Burrows

Non-executive Directors
Alistair Fulton
Steven Sanderson

Secretary and registered office
Nick Burrows
Triad Group Plc
Weyside Park
Catteshall Lane
Godalming
Surrey
GU7 1XE

Telephone: 01483 860222
Fax: 01483 860198
Email: investors@triad.co.uk

Country of incorporation and domicile of parent company
United Kingdom

Legal form
Public limited company

Company number
2285049

Registered Auditors
BDO LLP
55 Baker Street
London
W1U 7EU

Solicitors
Allen & Overy LLP
One Bishops Square
London
E1 6AO

Bankers
Lloyds TSB Bank plc
City Office
11-15 Monument Street
London

EC3V 9JA

Stockbrokers
Evolution Securities Ltd
100 Wood Street
London
EC2V 7AN

Registrars
Equiniti
PO Box 4630
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6QQ

Shareholders' information and financial calendar

Share register
Equiniti maintain the register of members of the Company. If you have any questions about your personal holding of the Company's shares, please contact:

Equiniti
PO Box 4630
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6QQ

Telephone: 0870 6015366

If you change your name or address or if the details on the envelope enclosing the report, including your postcode, are incorrect or incomplete, please notify the registrar in writing.

Shareholders' enquiries
If you have an enquiry about the Group's business, or about something affecting you as a shareholder (other than queries which are dealt with by the registrar) you should contact the Company Secretary, by letter or telephone at the Company's registered office.

Company Secretary and registered office:

Nick Burrows
Triad Group Plc
Weyside Park
Catteshall Lane
Godalming
Surrey
GU7 1XE

Telephone: 01483 860222
Fax: 01483 860198
Email: investors@triad.co.uk

Financial calendar

Annual general meeting	Summer 2010
Financial year ended 31 March 2011: expected announcement of results	
Half year	November 2010
Full year preliminary announcement	June 2011

TRIAD
GROUP PLC

Weyside Park
Catteshall Lane
Godalming
Surrey
GU7 1XE

Telephone 01483 860222
Facsimile 01483 860198