



Avanta Review



10

National Reach, Local Touch

As we continue to grow, we promote a business culture which remains customer-focused, ethical, professional and competitive. While our core values remain the same, we understand that change is important, encouraging innovation, creativity and development to enhance our business practices.

People...

Our people are imperative to our success, and we recognise and celebrate each team member's individual contribution to our business as a whole.

We embrace our responsibilities as an employer. Our commitment to personal development and increasing our team's skill base ensures our staff remain dedicated, committed and professional.

We are a diverse organisation, promoting an inclusive and respectful working environment for all, and actively encourage constructive, honest two-way communication.

Performance...

We pride ourselves on providing a high quality, high value, customer-centric, cost effective service.

We put our customers first and listen to learners and local communities. We identify their hopes and aspirations, as well as their needs and barriers and produce tailored, personalised programmes to ensure we meet, and exceed, expectations.

Presence...

Being part of a community is a privilege, and must be earned through support and respect. We are dedicated to helping communities through regenerating and supporting local enterprise, developing new skills and creating employment opportunities.

Our responsibility as a business to do what we can to reduce our carbon footprint is something we take seriously. Wherever possible, we use sustainable, environmentally friendly resources.

Partnerships...

We have many years experience successfully working in partnership arrangements, both strategic, supportive and delivery focused, and are committed to developing and maintaining partnerships with organisations which share our values and passion for improving people's lives.

We believe that partnerships are not simply expedient one-off events but are about building relationships over time, sharing knowledge and expertise, developing capacity and ensuring that we offer our national reach with a local touch. By acting both as a contractor and as a subcontractor, we gain a greater insight into these often complex relationship issues.

As an organisation, we are working towards the industry's Merlin standard, one which we helped to develop, to demonstrate that we are living up to our commitments.

Dedicated support...

We support organisations and individuals to get the most out of their working life. We support individuals from jobsearch through to sustained employment, entrepreneurs from idea to start up and throughout the life of the business, and organisations from recruitment to workforce skills development.

This takes skill, commitment and dedication from our team of over 1,050 staff across the UK, who deliver a tailored, service that places us as one of the country's leading welfare to work training and enterprise organisations.

The Avanta Delivery Companies

TNG

TNG has over 27 years' experience offering a complete training, advice, employment, guidance and mentoring service to both public and private customers. As a supplier to national and local government, TNG provides services helping people return to work, and to employees looking to develop or enhance their skills and qualifications.

InBiz

Through personally tailored support, InBiz supports individuals, groups and communities to develop their enterprise skills and to set up, run and grow their businesses. InBiz supports community regeneration through facilitating business start-ups and offering business support to medium-sized enterprises (SMEs).



Further Growth and Success...

As Avanta continues its planned growth, 2009/10 saw a turnover of £53m and an EBITDA of £4.6 (8.7%), a growth of over 30% on last year. This is a very creditable performance as it includes over £5m of capital set up and working capital costs on the Flexible New Deal (FND) Prime Contract in the East of England and sub contracts in the North West, North East and South East. The Skills Division has successfully achieved improved results through reorganisation and the Enterprise Division continues to make a healthy contribution.

New Contracts and Renewals...

The complex start up of FND1 Prime and sub contracts from October 09 went exceptionally well and congratulations are due to all the staff, who worked so hard both to get these new contracts underway and in achieving such good results. All the Skills contracts are performing well and, despite some uncertainty on volumes, the Skills Division has done an excellent job of realigning and improving programmes and processes to retain contracts and deliver increased volumes of qualifications. So despite the potential distraction of winning and implementing significant large new contracts and growing at a very fast rate, the company has continued to take it all in its stride, whilst continuing to succeed in all its areas of delivery. Avanta looks forward to delivering the Government's Work Programme from July 2011, which offers further opportunities for growth, and to continuing to deliver sustained employment for those currently dependent on benefits.

Structuring for the present and future...

The plans put in place to support the company's plans for growth to c.£70m turnover have been demonstrably effective in terms of performance improvements and the recruitment, induction and further training of so many excellent new and existing staff. New appointments to HR and Training and Development complement Peter Brooks' appointment as Managing Director and Janette Faherty's move to a new Director role to drive development into markets that Avanta is planning to enter or enlarge. Peter has taken over the Management and Direction of the company from 1st September 2010 and will lead further structural plans for Strategic Development and Sales to be implemented in 2010/11. Further investment in infrastructure and systems, to support the Work Programme and additional growth, is also either underway or in the latter stages of planning.

Customers and Partners...

The company continues to appreciate working with both long standing and new partners from the private and voluntary sectors, both as a prime and subcontractor. We are grateful for their continued support in achieving high levels of performance. The support and processes put in place for successfully managing relations and performance with Avanta's Subcontractors appears to have been both effective and appreciated. Our partnerships with employers have strengthened this year leading to growing relationships with many household name companies.

Thanks...

Both new and existing Avanta staff, who now number over 1100, continue to rise to each new challenge as we grow. Also with the move towards the Work Programme we appreciate their further loyalty and support. On behalf of the Board, I offer my sincere thanks and appreciation for their hard work and achievements as well as to our customers and partners for their continued support.

Stuart Vere
Chairman –
Avanta Enterprise Ltd



It has been a year of change for many people, and for us at Avanta, it has been no different.

The General Election in May 2010 brought with it a new Coalition Government. Inevitably, this has brought a degree of change, the most notable being the termination of the range of welfare to work programmes and the implementation of the Work Programme planned for next year.

As a business, over our 27 years of operation, we have seen many changes of Government, have operated in times of boom and recession and have delivered many different services for many different Governments. We have grown, adapted and evolved to deliver high quality services, and will continue to do so. This has been evident in the contract wins we have had in the past year, some of which have seen us move into new geographical areas, taking our reach even further across the country.

As we begin the tendering process for The Work Programme, we can be confident in the knowledge that we have the skills, experience, ability and commitment backed by a strong and capable management team to deliver tailored, personalised programmes, and to be successful in our bids. We have strong partnerships, both strategic and delivery which enable us to meet customer needs. We also have the strength of our Skills and Enterprise divisions which enable us to join up different Government agendas to benefit individuals and organisations.

We have also seen some changes within Avanta. I have taken on a new role within the company, as Director, and will be focusing on developing new business strands, and growing existing business. Peter Brooks, our Managing Director, has taken over the day to day running of the business as I launch into my new role. We also welcomed Andy Bowie to the team as Director of Business Development and Nigel Morton as Director of HR.

Next year will bring with it some additional changes as the results of the Comprehensive Spending Review are implemented. However, given the political upheaval of the last year, we anticipate it may also bring with it stability arising from a clear direction of travel.

One thing is certain, and that is that Avanta will continue to embrace the changes, and relish the challenges the next year has in store.



Avanta Board

Chairman
Stuart Vere

Managing Director
Peter Brooks

Finance Director
Colin Martin

Director
Janette Faherty, OBE

Non-Executive Director
Chris Spanoudakis

Non-Executive Director
Suzy Brain-England, OBE

Non-Executive Director
Stuart Walkley

Company Secretary
Peter Ashcroft

J. H. Faherty
Janette Faherty, OBE
Director



From Left -
Non-Executive Director,
Suzy Brain-England, OBE

Non-Executive Director,
Chris Spanoudakis

Company Secretary, Peter Ashcroft

Non-Executive Director,
Stuart Walkley



The last twelve months have seen significant change across our employability, skills and enterprise markets. Against this backdrop of change and opportunity we have continued to provide a first rate service to all of our customers.

The introduction of the Jobcentre Plus Support Contract and the Community Task Force programme in January enabled us to expand our delivery across the East of England region and our services on offer. We were also successful in securing the Community Task Force contract in other geographical areas - Leicestershire, Northamptonshire and Nottinghamshire; Manchester; and through a sub contract with InTraining across Tees Valley. Such success is in line with our strategy of increasing our geographical presence and widening our portfolio so as to improve the life chances of more and more people.

Aligned to this linking our employment and skills business remains a priority. Successful join up provides a seamless transition into the workplace ensuring that employees stay in and enjoy work and that employers have engaged and productive members of staff.

Changes to funding have meant that increasing our Apprenticeships business has become critical for our Skills division. Encouragingly progress has been strong, neatly complementing our success rates of over 84% for qualifications completed through Train to Gain funding. As an organisation we remain committed to helping provide Britain's young people with new opportunities and pleasingly we have taken on 18 apprentices across our network in a number of different roles.

Our focus on enterprise and offering dedicated self employment solutions to budding entrepreneurs as well as those who had previously never even considered self employment continues. As an organisation we provide almost two thirds of DWP's self employment outcomes. We are busy using this experience to lobby and take part in numerous forums that will influence the shape of self employment programmes alongside or within the Work Programme.

Finally the beginning of this year was especially notable for Janette Faherty, our former CEO, who was awarded an OBE in the New Year's Honours list.

Over the next 12 months we have a fantastic opportunity to continue to grow each of our three main business areas (Employability, Skills and Enterprise) and look forward to the challenges and opportunities that lie ahead.

Peter Brooks
Managing Director





Our customers...

Our success is measured by our customers, and their feedback allows us to continue to improve and develop our services.

What our customers say...

"TNG is a fantastic place to learn and gives you the confidence you need to get that job you wanted."

Andrew, Birkenhead

"InBiz helped me to realise that setting up a business is not as daunting as I thought."

Elaine, London

"TNG gave me the confidence and drive with great support from staff to help me back into work."

Shaun, Peterborough

"InBiz has given me the confidence to make a commitment to my vision and helped me avoid pitfalls along the way."

Alison, Durham

What employers we are working with say...

"Training has always been an important issue. It is about finding the right organisation that delivers the right training, when we require it. With TNG, I believe we have found that organisation."

Donna Hutchinson, Manager at Quarry Bank Residential Home, Hull

"TNG's service is very broad and its advisers go to great lengths to understand the criteria of each vacancy and match it with the right candidate for the job. TNG has played an integral part in our recent success and I would not hesitate in recommending other employees to use TNG's recruitment and training services."

Prakash Solanki, Director of Subway, Middlesex

"The majority of the people TNG have supplied us with have proved to be of great assistance to the National Trust and we are pleased with the various staff in different departments."

Colin Mitchell, National Trust Volunteers Manager, Norfolk

Avanta Award Winners

The Avanta Awards recognise the successes and achievements of some of the individuals that TNG and InBiz have helped over the past 12 months, and the Press Awards recognise excellence in journalism on topics relating to employment and skills.

Achiever of the Year Philip Ware

Business Start-Up of the Year Sarah Jayne Brown

Learner of the Year Linda Spillman

Partner of the Year BTCV

Employer of the Year Care UK

Press Awards

National Media Winner Alex Barker, Financial Times

Regional Media Winner Ian Heron, Liverpool Echo

Specialist Media Winner Helen Gilbert, Personnel Today



We are pleased to report another successful year for Avanta. We have experienced another year of growth, expanding our operational footprint and widening the services we offer to our customers. We are well positioned to continue to adapt and grow in a dynamic and consolidating environment.

Our turnover performance for 2009-10 was in line with our expectations at c£53m, a 30% increase on 2008-9. We have also increased profitability in line with revenue growth, up over 25% at c£4.6m. Our profitability has also increased because of the investment made in more efficient and effective business processes and back office functions. We have continued to invest in our people (such as our new online learning environment), infrastructure and service innovation to ensure that we have the operational capability to successfully deliver our future growth plans.

We are now six months into our 2010-11 financial year and we are pleased to confirm that a successful year of additional contract wins, coupled with further improvements in our contractual performance, should generate a turnover c£70m with profit before tax in excess of £9m in 2010-11. Given the opportunity that the introduction of the Work Programme represents in 2011-12, we expect our turnover to continue to grow significantly over the coming years.

The diversity of the sectors in which we operate and the products we offer continues to minimise our overall business risk, whilst we continue to monitor the market for opportunities to further diversify our business.

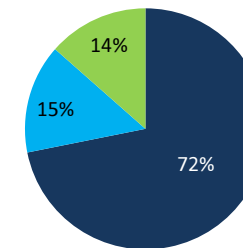
Our continued and accelerating financial performance is supported by an increasingly strong Balance Sheet, with net assets up 100% year on year at c£6m as at 31st March 2010, with current cash reserves of £10m. These funds are available to support both our current business and to support significant new business opportunities in the coming year, whilst providing assurance to our customers, partners and capital markets.

Avanta continues to invest in building strength in depth, to ensure that we are a resilient, flexible business able to respond to the evolving needs of both our public sector and private sector customers.

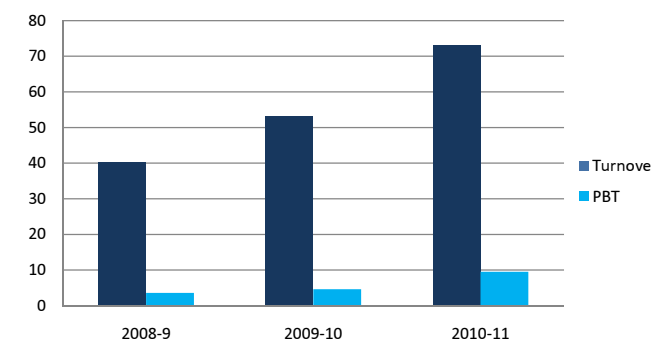
Colin Martin Finance Director - Avanta Enterprise Ltd

Business Mix

■ Employment ■ Enterprise ■ Skills



Financial Performance (£Ms)



Avanta Enterprise Ltd
Head Office:
196 Great Cambridge Road
Enfield
Middlesex
EN1 1UQ

Tel: 020 8367 0647
Fax: 020 8367 3852

www.avanta.uk.com

