

***adroit***

Annual Report 2009

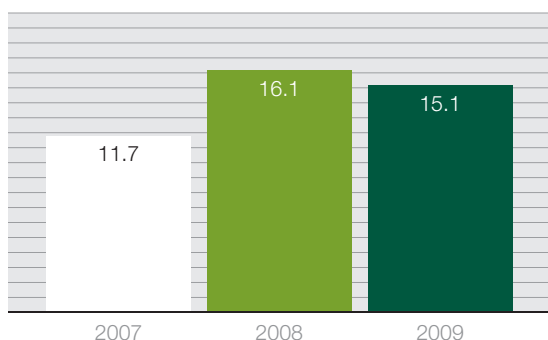
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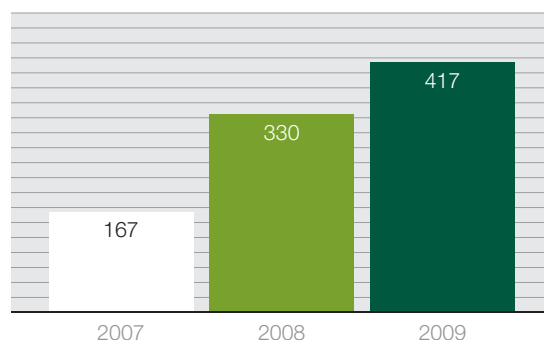
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## Financial Highlights

**Turnover** £'m



**Operating Profit** £'000



# Company Information

## Directors

J Broome - Chairman  
D J Broome

## Company Secretary

P Barrington

## Headquarters & Registered Office

Adroit Group Limited  
Avon House  
Buntsford Drive  
Bromsgrove  
Worcestershire  
B60 4JE  
0333 240 0428  
[www.adroitgroup.co.uk](http://www.adroitgroup.co.uk)

## Registered Number

00527081 (England and Wales)

## Auditors

Crombies Accountants Limited  
Wolverhampton  
WV1 4DG

## Bankers

Barclays Bank Plc  
Birmingham  
BX3 2BB

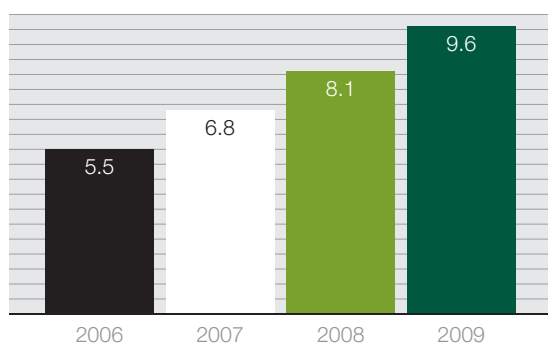
# Managing Directors Review of the Year

I am delighted to report that the Group's results for the year ended 30 September 2009 show an operating profit of £417,000 a 26% increase over the previous years operating profit of £330,000 and achieved a slightly decreased turnover of £15.1 million. Both trading activities, construction services and modular buildings produced improved performances. The outcome for the year is even more pleasing as it is after incurring additional costs of around £150,000 as a result of the move to new offices at Avon House, Bromsgrove at the end of last year.

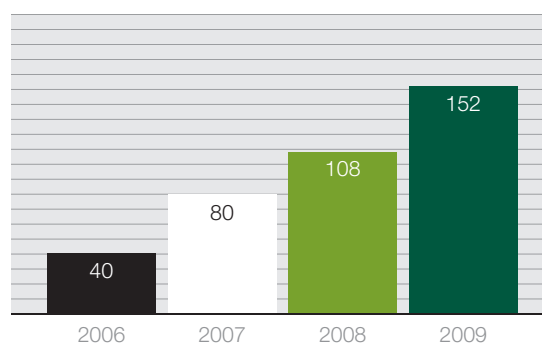
## Construction Services

Adroit Construction Services plc ("ACS") has continued with growth and performance improvements during the year with increased turnover of 19% at £9.6 million and with operating profit up 38% to £152,000. A continued sense of focus is apparent with confidence in the organisation continuing to grow.

**Turnover** £'m



**Operating Profit** £'000



Positive cash flow has been maintained throughout the year ensuring that the organisation has been self financing. With the movement into new markets and with new clients, cash flow needs to be examined at all stages with the anticipation of maintaining a positive assessment on all ventures.

ACS has continued to build on, and benefit from, its specialist capability in the area of multi-disciplined contracting which it is able to perform in conjunction with the more specialist skills of Process Engineering. ACS continues to diversify into new markets and now has four principle areas of activity –

- Water & Waste Water
- Power & Substations
- Infrastructure & Rail
- Renewable Energy

The water sector is the dominant industry and services include virtually all aspects of waste and potable water installations focusing on a contract range from small works at £25,000 up to contracts in excess of £1 million. A new market sector and company culture has to be developed as we no longer have the benefit of security of work from key AMP Clients. We are encouraged with the reputation built up in this sector and the interest generated by

major contractors who see ACS as being key to their success as part of their supply chain. We also perceive the Power and Substations sector growing during the next reporting period with interest from a new Client base as we promote the company's capability more widely.

A key focus for the next reporting period is to promote the company's skill base more widely. New clients are surprised and interested at the capability of ACS who are able to provide a multi-disciplined construction service consisting of civil, mechanical and electrical teams and with added value through the process design and commissioning teams. We are able to provide a seamless package from conception to hand-over of a working facility.

With headquarters in Bromsgrove, Worcestershire the skills and flexibility that flow from the directly employed workforce is much valued by our clients. Growth will be assisted by geographical reach and the new client base. The London satellite office has now satisfied the investment by generating contract work in the area and further office locations have since been established in Manchester and Glasgow.

A strong order book should deliver a significant increase in turnover in the coming year with overall prospects for the business being very encouraging despite the general economic conditions. Marketing and business development is now key to further growth and success with this is being addressed at senior levels. As a result of this initiative, recruitment is constantly being reviewed, to meet the demands of our ever expanding workload client base.

The company has a commitment to streamline and improve our IT systems to enable better communications and efficiency throughout the company and on our sites.

Health, safety, environmental and quality systems are paramount to the success of ACS with clients looking for this level of commitment from their supply chain. ACS operates a comprehensive Integrated Management System and has now achieved ISO 18001, Occupational Health and Safety accreditation supplementing its previous accreditations of ISO 9001 and ISO 14001

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### Modular Buildings – UK

Adroit Modular Buildings plc ("AMB") suffered a reduction in turnover from £6.0 million to £3.5 million in the year, partly due to the delay in a couple of large manufacturing contracts. Despite this reduction AMB was able to turn in a small operating profit compared to the large losses incurred in the previous year. A very commendable result.

AMB has two separate lines of business – the hire of modular buildings, with a fleet of around 400 and growing, and also with the sale of modular buildings manufactured at its own manufacturing facility in Worcester. Manufacturing can be carried out to the bespoke needs of customers helping differentiate AMB from other manufacturers in the market place.

Following a difficult period for AMB, operational changes were made including new management. The fruits of these changes are just starting to bear results and the prospects for the future are encouraging. In a slight change of focus a number of large individual contracts are expected to be won for the manufacture of new modular buildings for hire contracts. This has prompted a capital expenditure program to enhance the efficiency of the factory facilities and increase the number of production lines from two to three demonstrating the Group's commitment to AMB's forty year involvement in the modular building industry. In addition further investment will be made to increase the size of the general hire fleet over the next few years.

## Modular Buildings – France

Logimobile S.A.R.L operates in Northern France, south west of Rouen, and concentrates predominantly on the hire of modular buildings but unlike the UK has no manufacturing facilities.

Turnover for the year was £1.7 million, the same level as the previous year. Operating profit of £229,000 was substantially down but still represented an excellent operating margin of 13%. Northern France has been particularly affected by the wider economic downturn and as such is reflected in the outcome for the year.

Conditions remain extremely challenging although the skills of the small management team are expected to deliver continued enviable returns. Consideration is being given as to whether the timing would be right to expand through some geographical spread into North eastern France, around the ports region.

## Estates

Adroit Estates continues to enjoy almost maximum occupancy at its two West Midland investment properties – a commercial site containing a number of industrial units in Rowley Regis, and Centre Court, a prestigious courtyard office development which attracts many professional organisations from solicitors to accountants. The properties, which are valued at approximately £2.2 million continue to produce a satisfactory rental yield

## Finance

The Group continues to be built on very firm and strong financial foundations, a reflection of its ongoing prudent and conservative approach to business.

Net assets at 30 September 2009 were £7.4 million which included no net borrowing. In general the Group is cash generative and in a cash positive position for much of the year. However the expansion of activity at AMB and in particular its increase in the manufacture of buildings for hire has resulted in some additional borrowing. This is currently in the process of being transferred into separate asset finance facilities.

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## People

I would like to take this opportunity of thanking everyone within the Adroit group for all of their hard work, dedication and professionalism throughout the year.

## Outlook

Despite the challenging economic times, prospects for the Group are encouraging. Order books are buoyant from existing clients together with considerable interest being shown from several well known companies as potential customers. With these prospects and with settled strong management teams, the further development of the “Adroit” brand, together with the Group’s financial robustness, the future can be viewed with cautious optimism

**DJ Broome**

Managing Director

26 February 2010

# Report of the Directors

The directors present their report with the financial statements of the group for the year ended 30 September 2009.

## Principal Activities & Review of Business

The principal activities of the group in the year under review were those of civil engineering and public works contractors, the design engineering installation and monitoring of process systems, the manufacture hire and sale of portable modular offices and estate management.

A review of the Group's businesses, financial performance and future developments is contained in the Managing Director's Review.

## Dividends

No interim dividend was paid in the year. The directors recommend a final dividend of 3p per share.

The total distributions of dividends for the year ended 30 September 2009 will be £29,000.

## Directors

The directors shown below have held office during the whole of the period from 1 October 2008 to the date of this report.

J Broome - Chairman  
D J Broome

The beneficial interests of the directors holding office on 30 September 2009 in the issued share capital of the company were as follows:

|                           | 30.9.09       | 1.10.08       |
|---------------------------|---------------|---------------|
| <b>Ordinary £1 shares</b> | <b>Number</b> | <b>Number</b> |
| J Broome - Chairman       | 247,554       | 247,554       |
| D J Broome                | 206,316       | 206,316       |

J Broome and D J Broome have an interest in a further 371,250 shares, as Trustees of Mr J Broome's 1998 Discretionary Settlement.

## Groups Policy on Payment of Creditors

Individual operating companies within the group are responsible for establishing appropriate policies with regard to the payment of their suppliers. The companies agree terms and conditions under which business transactions with suppliers are conducted. It is group policy that, provided a supplier is complying with the relevant terms and conditions, including a prompt and complete submission of all specified documentation, payment will be made in accordance with agreed terms.

The effect of the group's payment policy is that its creditors at the year end represent some 54 days purchases.

## Statement of Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

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## Statement as to Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## Auditors

The auditors, Crombies Accountants Limited, will be proposed for re-appointment at the forthcoming general meeting.

On Behalf of the Board

P Barrington

Secretary

26 February 2010

# Report of the Independent Auditors to the Shareholders

We have audited the group and parent company financial statements of Adroit Group Limited for the year ended 30 September 2009 on pages seven to twenty six. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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 a Report of the Auditors 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 set out on page five, 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 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 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the group and the company as at 30 September 2009 and of the profit of the group for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Principles; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Opinion on other matter prescribed by the Companies Act 2006

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

**P.G. Taylor FCA**

Senior Statutory Auditor

For and on behalf of:  
Crombies Accountants Limited  
34 Waterloo Road  
Wolverhampton  
WV1 4DG

26 February 2010

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#### Note:

The maintenance and integrity of the company's web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

# Group Profit & Loss Account

|   |       | <u>2009</u>       | <u>2008</u>       |
|---|-------|-------------------|-------------------|
|   | Notes | £'000             | £'000             |
| TURNOVER                                      | 2     | 15,157            | 16,062            |
| Cost of sales                                 |       | <u>(9,039)</u>    | <u>(11,491)</u>   |
| GROSS PROFIT                                  |       | 6,118             | 4,571             |
| Administrative expenses                       |       | <u>(5,701)</u>    | <u>(4,241)</u>    |
| OPERATING PROFIT                              | 3, 4  | 417               | 330               |
| Interest receivable and similar income        | 5     | <u>9</u>          | <u>27</u>         |
|   |       | 426               | 357               |
| Interest payable and similar charges          | 6     | <u>(1)</u>        | <u>(6)</u>        |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION |       | 425               | 351               |
| Tax on profit on ordinary activities          | 7     | <u>34</u>         | <u>(101)</u>      |
| PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION  |       | <u><u>459</u></u> | <u><u>250</u></u> |

# Group Statement of Total Recognised Gains & Losses

|  | <u>2009</u>       | <u>2008</u>       |
|--|-------------------|-------------------|
|  | £'000             | £'000             |
| PROFIT FOR THE FINANCIAL YEAR  | 459               | 250               |
| Currency translation differences on foreign currency net investments | <u>309</u>        | <u>223</u>        |
| TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR               | <u><u>768</u></u> | <u><u>473</u></u> |

## Note of Historical Cost Profit & Losses

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|  | <u>2009</u>       | <u>2008</u>       |
|--|-------------------|-------------------|
|  | £'000             | £'000             |
| REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION   | 425               | 351               |
| Difference between historical cost depreciation and the actual depreciation charge of the year calculated on the revalued amount (excluding investment properties) | <u>6</u>          | <u>6</u>          |
| HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION  | <u>431</u>        | <u>357</u>        |
| HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION  | <u><u>528</u></u> | <u><u>241</u></u> |

The notes form part of these financial statements

# Group Balance Sheet

|   |       | 2009           |              | 2008           |              |
|---|-------|----------------|--------------|----------------|--------------|
|   | Notes | £'000          | £'000        | £'000          | £'000        |
| <b>FIXED ASSETS:</b>                                  |       |                |              |                |              |
| Tangible assets                                       | 9     |                | 6,286        |                | 5,515        |
| <b>CURRENT ASSETS:</b>                                |       |                |              |                |              |
| Stocks  | 12    | 1,501          |              | 214            |              |
| Debtors   | 13    | 4,793          |              | 4,053          |              |
| Cash at bank and in hand                              |       | <u>319</u>     |              | <u>1,168</u>   |              |
|   |       | 6,613          |              | 5,435          |              |
| <b>CREDITORS: Amounts falling due within one year</b> | 14    | <u>(5,521)</u> |              | <u>(4,335)</u> |              |
| <b>NET CURRENT ASSETS:</b>                            |       |                | <u>1,092</u> |                | <u>1,100</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>         |       |                | <u>7,378</u> |                | <u>6,615</u> |
| <b>CAPITAL AND RESERVES:</b>                          |       |                |              |                |              |
| Called up share capital                               | 18    |                | 975          |                | 975          |
| Revaluation reserve                                   | 19    |                | 756          |                | 732          |
| Capital redemption reserve                            | 19    |                | 453          |                | 453          |
| Profit and loss account                               | 19    |                | <u>5,194</u> |                | <u>4,455</u> |
| <b>SHAREHOLDERS' FUNDS</b>                            | 22    |                | <u>7,378</u> |                | <u>6,615</u> |

The financial statements were approved by the Board of Directors on 26 February 2010 and were signed on its behalf by:

**D J Broome**  
 Director  
 26 February 2010

# Group Cash Flow Statement

|  |       | <u>2009</u>           | <u>2008</u>         |
|--|-------|-----------------------|---------------------|
|  | Notes | £'000                 | £'000               |
| Net cash inflow from operating activities                | 1     | 354                   | 1,700               |
| Returns on investments and servicing of finance          | 2     | 8                     | 21                  |
| Taxation   |       | (213)                 | (99)                |
| Capital expenditure                                      | 2     | (1,302)               | (993)               |
| Equity dividends paid                                    |       | <u>(29)</u>           | <u>(15)</u>         |
|  |       | (1,182)               | 611                 |
| Translation differences                                  | 2     | <u>34</u>             | <u>64</u>           |
| (Decrease)/Increase in cash in the period                |       | <u><u>(1,148)</u></u> | <u><u>675</u></u>   |
| <hr/>  |       |                       |                     |
| Reconciliation of net cash flow to movement in net funds | 3     |                       |                     |
| (Decrease)/Increase in cash in the period                |       | <u>(1,148)</u>        | <u>675</u>          |
| Change in net funds resulting from cash flows            |       | <u>(1,148)</u>        | <u>675</u>          |
| Movement in funds in the period                          |       | (1,148)               | 675                 |
| Net funds/(debt) at 1 October 2008                       |       | <u>1,168</u>          | <u>493</u>          |
| Net funds at 30 September 2009                           |       | <u><u>20</u></u>      | <u><u>1,168</u></u> |

The notes form part of these financial statements

# Notes to the Group Cash Flow Statement

## 1. Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

|  | 2009<br>£'000 | 2008<br>£'000 |
|--|---------------|---------------|
| Operating profit                             | 417           | 330           |
| Depreciation charges                         | 964           | 828           |
| Profit on disposal of fixed assets           | (134)         | (178)         |
| (Increase) in stocks                         | (1287)        | (72)          |
| (Increase) in debtors                        | (530)         | (1,467)       |
| Increase in creditors                        | 924           | 2,256         |
| Net cash inflow<br>from operating activities | <u>354</u>    | <u>1,697</u>  |

## 2. Analysis of Cash Flows for Headings Netted in the Cash Flow Statement

|  | 2009<br>£'000  | 2008<br>£'000 |
|--|----------------|---------------|
| Returns on investments and servicing of finance                        |                |               |
| Interest received  | 9              | 27            |
| Interest paid  | <u>(1)</u>     | <u>(6)</u>    |
| Net cash inflow<br>for returns on investments and servicing of finance | <u>8</u>       | <u>21</u>     |
| Capital expenditure  |                |               |
| Purchase of tangible fixed assets                                      | (1,505)        | (1,273)       |
| Sale of tangible fixed assets  | <u>203</u>     | <u>280</u>    |
| Net cash outflow for capital expenditure                               | <u>(1,302)</u> | <u>(993)</u>  |
| Translation differences  | <u>34</u>      | <u>64</u>     |

## 3. Analysis of Changes in Net Funds

|                          | At 1.10.08<br>£'000 | Cash flow<br>£'000 | At 30.9.09<br>£'000 |
|--------------------------|---------------------|--------------------|---------------------|
| Net cash:                |                     |                    |                     |
| Cash at bank and in hand | 1,168               | (849)              | 319                 |
| Bank overdraft           | <u>-</u>            | <u>(299)</u>       | <u>(299)</u>        |
|                          | <u>1,168</u>        | <u>(1,148)</u>     | <u>20</u>           |
| Total                    | <u>1,168</u>        | <u>(1,148)</u>     | <u>20</u>           |

The notes form part of these financial statements

# Company Balance Sheet

|   |       | 2009         |                     | 2008         |                     |
|---|-------|--------------|---------------------|--------------|---------------------|
|   | Notes | £'000        | £'000               | £'000        | £'000               |
| <b>FIXED ASSETS:</b>                                  |       |              |                     |              |                     |
| Tangible assets                                       | 10    |              | 2,780               |              | 2,793               |
| Investments   | 11    |              | <u>178</u>          |              | <u>178</u>          |
|   |       |              | 2,958               |              | 2,971               |
| <b>CURRENT ASSETS:</b>                                |       |              |                     |              |                     |
| Debtors   | 13    | 857          |                     | 307          |                     |
| Cash at bank  |       | <u>114</u>   |                     | <u>648</u>   |                     |
|   |       | 971          |                     | 955          |                     |
| <b>CREDITORS: Amounts falling due within one year</b> | 14    | <u>(341)</u> |                     | <u>(678)</u> |                     |
| <b>NET CURRENT ASSETS:</b>                            |       |              | <u>630</u>          |              | <u>277</u>          |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>         |       |              | 3,588               |              | 3,248               |
| <b>PROVISIONS FOR LIABILITIES</b>                     | 17    |              | <u>-</u>            |              | <u>-</u>            |
| <b>NET ASSETS</b>                                     |       |              | <u><u>3,588</u></u> |              | <u><u>3,248</u></u> |
| <b>CAPITAL AND RESERVES:</b>                          |       |              |                     |              |                     |
| Called up share capital                               | 18    |              | 975                 |              | 975                 |
| Revaluation reserve                                   | 19    |              | 756                 |              | 732                 |
| Capital redemption reserve                            | 19    |              | 453                 |              | 453                 |
| Profit and loss account                               | 19    |              | <u>1,404</u>        |              | <u>1,088</u>        |
| <b>SHAREHOLDERS' FUNDS</b>                            | 22    |              | <u><u>3,588</u></u> |              | <u><u>3,248</u></u> |

The financial statements were approved by the Board of Directors on 26 February 2010 and were signed on its behalf by:

D J Broome  
Director

The notes form part of these financial statements

# Notes to the Financial Statements

## 1. ACCOUNTING POLICIES

### Basis of consolidation

The group financial statements consolidate the accounts of Adroit Group Limited and its subsidiaries made up to 30th September 2009.

The financial statements of the overseas subsidiary do not conform with the group's accounting policies because of legislation and accounting practices of the country concerned. Appropriate adjustments have been made on consolidation in order to present the group financial statements on a uniform basis.

Goodwill arising on consolidation, which represents the fair value of the net tangible assets acquired, has been written off against reserves.

In the company's own financial statements, investment in subsidiaries is stated at cost. No profit and loss account is presented for Adroit Group Limited as provided by section 408 of the Companies Act 2006.

### Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and are in accordance with applicable accounting standards.

### Turnover

Turnover represents, with the exception of civil engineering contracts and long term work in progress, the invoiced value of goods and services, excluding value added tax and sales between group companies. Civil engineering contracts and long term work in progress are included in turnover at the sales value of work certified up to the balance sheet date.

### Income from operating leases

Assets held for use in operating leases are included in tangible fixed assets at cost and are depreciated on a straight line basis over their useful economic lives.

Income from operating leases is included in turnover and is recognised in the profit and loss account on a straight line basis over the period of each lease. The initial direct costs incurred in negotiating and arranging operating leases are charged to the profit and loss account in the period in which they are incurred.

### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|  |                                 |
|--|---------------------------------|
| Freehold property                          | - 2% on cost                    |
| Short leasehold properties                 | - 2% - 15% on cost or valuation |
| Plant and machinery                        | - 25% on cost                   |
| Portable buildings and ancillary equipment | - 15% - 50% on cost             |
| Motor vehicles                             | - 25% - 33% on cost             |
| Computers and office equipment             | - 20% - 25% on cost             |

In accordance with SSAP 19:

- i) Investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. Valuations are made by the directors with the assistance of independent professional advice as required.
- ii) No depreciation or amortisation is provided in respect of freehold investment properties.

The Companies Act 2006 requires tangible fixed assets to be depreciated systematically over their estimated useful economic lives. However, investment properties are held for investment rather than consumption; the directors therefore consider that depreciation on a systematic basis would not be appropriate in this case and that the accounting policy adopted is necessary for the accounts to give a true and fair view.

If this departure had not been made the profit for the financial year would have been reduced by depreciation on revalued investment properties of £nil (2008 £48,000) and this charge would have been reduced by £39,000 (2008 £9,000) if the historical cost accounting rules had been used.

## Stocks

Stock and work in progress are valued at the lower of cost and net realisable value.

## Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

## Pensions

The group operates defined contribution pension schemes. Contributions payable for the year are charged in the profit and loss account.

## Civil engineering contracts and long term work in progress

Amounts recoverable on contracts, which are included in debtors, represent the sales value of work certified not invoiced at the balance sheet date, less any necessary provisions for remedial or guarantee work. Contract provisions on individual contracts which are in excess of the amounts recoverable on contracts are shown as provisions for liabilities and charges. A prudent estimate of the profit attributable to work certified is recognised when the outcome of the contract can be reasonably foreseen.

## Foreign currencies

In the financial statements of individual companies, assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. For the purpose of consolidation, the assets, liabilities and results of the overseas subsidiary company are translated into sterling at the year end rate. Exchange differences arising from the retranslation of the opening net investment in the overseas subsidiary are taken to reserves and reported in the statement of total recognised gains and losses. All other exchange differences are taken to the profit and loss account in the year in which they arise.

## Operating leases

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

## 2. SEGMENTAL ANALYSIS

i) Analysis of turnover and operating Profit/(Loss) before interest and taxation is as follows:

a) By class of business

|                       | 2009          |              | 2008          |              |
|-----------------------|---------------|--------------|---------------|--------------|
|                       | Turnover      | Profit(Loss) | Turnover      | Profit(Loss) |
|                       | £'000         | £'000        | £'000         | £'000        |
| Estate management     | 395           | 243          | 302           | 252          |
| Central management    | -             | (233)        | -             | (148)        |
| Civil engineering     | 9,580         | 152          | 8,063         | 107          |
| Portable buildings    |               |              |               |              |
| UK (see note iii)     | 3,486         | 26           | 5,979         | (273)        |
| France (see note iii) | 1,696         | 229          | 1,718         | 392          |
|                       | <u>15,157</u> | <u>417</u>   | <u>16,062</u> | <u>330</u>   |

b) Turnover by geographical destination

|                                     | 2009          | 2008          |
|-------------------------------------|---------------|---------------|
|                                     | £'000         | £'000         |
| United Kingdom                      | 13,461        | 14,344        |
| Europe (EC) – originating in France | <u>1,696</u>  | <u>1,718</u>  |
|                                     | <u>15,157</u> | <u>16,062</u> |

ii) The net assets of the group analysed by class of business are as follows:

|  | 2009         | 2008         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| Estate management and central management | 3,410        | 3,070        |
| Civil engineering                        | 711          | 443          |
| Portable buildings - UK                  | 570          | 544          |
| Portable buildings - France              | <u>2,687</u> | <u>2,558</u> |
|  | <u>7,378</u> | <u>6,615</u> |

iii) An analysis of turnover for the portable buildings division is:

|   | 2009         | 2008         |
|---|--------------|--------------|
|   | £'000        | £'000        |
| Sales                                     | 2,809        | 5,463        |
| Rentals receivable under operating leases | <u>2,373</u> | <u>2,234</u> |
|   | <u>5,182</u> | <u>7,697</u> |

### 3. STAFF COSTS

|                       | 2009         | 2008         |
|-----------------------|--------------|--------------|
|                       | £'000        | £'000        |
| Wages and salaries    | 5,216        | 4,459        |
| Social security costs | 543          | 463          |
| Other pension costs   | 173          | 167          |
|                       | <u>5,932</u> | <u>5,089</u> |

The average monthly number of employees during the year was as follows:

|                       | 2009       | 2008       |
|-----------------------|------------|------------|
| Production and sales  | 107        | 95         |
| Office and management | 69         | 69         |
|                       | <u>176</u> | <u>164</u> |

### 4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

|   | 2009    | 2008  |
|---|---------|-------|
|   | £'000   | £'000 |
| Hire of plant and machinery                     | 508     | 504   |
| Capitalisation of self built portable buildings | (1,117) | -     |
| Depreciation - owned assets                     | 964     | 827   |
| Profit on disposal of fixed assets              | (132)   | (178) |
| Auditors' remuneration                          | 45      | 41    |
| Auditors' remuneration non-audit work           | 1       | 2     |
| Foreign exchange differences                    | (3)     | -     |
| Operating lease rentals - land and buildings    | 103     | 86    |
| Operating lease rentals - plant and machinery   | 31      | 78    |

|  | 2009          | 2008         |
|--|---------------|--------------|
|  | £             | £            |
| Directors' emoluments                                      | 88,006        | 85,783       |
| Directors' pension contributions to money purchase schemes | <u>10,640</u> | <u>9,174</u> |

The number of directors to whom retirement benefits were accruing was as follows:

|                        |          |          |
|------------------------|----------|----------|
| Money purchase schemes | <u>1</u> | <u>1</u> |
|------------------------|----------|----------|

### 5. INTEREST RECEIVABLE AND SIMILAR INCOME

|                          | 2009     | 2008      |
|--------------------------|----------|-----------|
|                          | £'000    | £'000     |
| Bank interest receivable | <u>9</u> | <u>27</u> |

## 6. INTEREST PAYABLE AND SIMILAR CHARGES

|               | 2009<br>£'000 | 2008<br>£'000 |
|---------------|---------------|---------------|
| Bank interest | <u>1</u>      | <u>6</u>      |

## 7. TAXATION

### Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

|  | 2009<br>£'000 | 2008<br>£'000 |
|--|---------------|---------------|
| Current tax:                                   | 8             | -             |
| Overseas taxation                              | 84            | 144           |
| Origination and reversal of timing differences | <u>(126)</u>  | <u>(43)</u>   |
| Tax on profit on ordinary activities           | <u>(34)</u>   | <u>101</u>    |

### Factors affecting the tax charge

The tax assessed for the year is different to the standard rate of corporation tax in the UK. The difference is explained below:

|  | 2009<br>£'000 | 2008<br>£'000 |
|--|---------------|---------------|
| Profit on ordinary activities before tax   | <u>425</u>    | <u>350</u>    |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 29%) | 119           | 101           |
| Effects of:  |               |               |
| Depreciation for the year in excess of capital allowances.   | 12            | 54            |
| Expenses not deductible for tax purposes   | 6             | 3             |
| Higher rates on overseas earnings  | 15            | 18            |
| Effect of marginal relief  | (3)           | -             |
| Losses available for future relief   | -             | 19            |
| Utilisation of losses brought forward  | <u>(57)</u>   | <u>(51)</u>   |
| Current tax charge   | <u>92</u>     | <u>144</u>    |

## 8. DIVIDENDS

|                            | 2009<br>£'000 | 2008<br>£'000 |
|----------------------------|---------------|---------------|
| Ordinary shares of £1 each |               |               |
| Final dividend paid        | <u>29</u>     | <u>15</u>     |

## 9. TANGIBLE FIXED ASSETS

| Group                     | Freehold investment properties           | Freehold property | Short leasehold properties     | Plant and machinery |
|---------------------------|--|-------------------|--------------------------------|---------------------|
|                           | £'000                                    | £'000             | £'000                          | £'000               |
| <b>COST OR VALUATION:</b> |  |                   |                                |                     |
| At 1 October 2008         | 2,228                                    | 237               | 763                            | 276                 |
| Exchange differences      | -  | 37                | -                              | 3                   |
| Revaluation               | 72                                       | -                 | (332)                          | -                   |
| Additions                 | -  | -                 | -                              | 92                  |
| Disposals                 | -  | -                 | -                              | -                   |
| At 30 September 2009      | 2,300                                    | 274               | 431                            | 371                 |
| <b>DEPRECIATION:</b>      |  |                   |                                |                     |
| At 1 October 2008         | -  | 59                | 277                            | 184                 |
| Exchange differences      | -  | 10                | -                              | 2                   |
| Revaluation adjustment    | -  | -                 | (284)                          | -                   |
| Charge for year           | -  | 5                 | 28                             | 57                  |
| Eliminated on disposals   | -  | -                 | -                              | -                   |
| At 30 September 2009      | -  | 74                | 21                             | 243                 |
| <b>NET BOOK VALUE:</b>    |  |                   |                                |                     |
| At 30 September 2009      | 2,300                                    | 200               | 410                            | 128                 |
| At 30 September 2008      | 2,228                                    | 178               | 486                            | 92                  |
|                           | Portable buildings & ancillary equipment | Motor vehicles    | Computers and office equipment | Totals              |
|                           | £'000                                    | £'000             | £'000                          | £'000               |
| <b>COST OR VALUATION:</b> |  |                   |                                |                     |
| At 1 October 2008         | 8,219                                    | 582               | 349                            | 12,654              |
| Exchange differences      | 690                                      | 12                | 9                              | 751                 |
| Revaluation               | -  | -                 | -                              | (260)               |
| Additions                 | 1,159                                    | 252               | 2                              | 1,505               |
| Disposals                 | (662)                                    | (77)              | (4)                            | (743)               |
| At 30 September 2009      | 9,406                                    | 769               | 356                            | 13,907              |
| <b>DEPRECIATION:</b>      |  |                   |                                |                     |
| At 1 October 2008         | 6,182                                    | 239               | 198                            | 7,139               |
| Exchange differences      | 450                                      | 6                 | 8                              | 476                 |
| Revaluation adjustment    | -  | -                 | -                              | (284)               |
| Charge for year           | 632                                      | 194               | 48                             | 964                 |
| Eliminated on disposals   | (605)                                    | (64)              | (5)                            | (674)               |
| At 30 September 2009      | 6,659                                    | 375               | 249                            | 7,621               |
| <b>NET BOOK VALUE:</b>    |  |                   |                                |                     |
| At 30 September 2009      | 2,747                                    | 394               | 107                            | 6,286               |
| At 30 September 2008      | 2,037                                    | 343               | 151                            | 5,515               |

## 9. TANGIBLE FIXED ASSETS - continued

Cost or valuation at 30 September 2009 is represented by:

|                   | Freehold<br>investment<br>properties              | Freehold<br>property | Short<br>leasehold<br>properties     | Plant and<br>machinery |
|-------------------|---|----------------------|--------------------------------------|------------------------|
|                   | £'000   | £'000                | £'000                                | £'000                  |
| Cost              | -   | 274                  | 31                                   | 371                    |
| Valuation in 2009 | <u>2,300</u>                                      | <u>-</u>             | <u>400</u>                           | <u>-</u>               |
|                   | <u><u>2,300</u></u>                               | <u><u>274</u></u>    | <u><u>431</u></u>                    | <u><u>371</u></u>      |
|                   | Portable<br>buildings<br>& ancillary<br>equipment | Motor<br>vehicles    | Computers<br>and office<br>equipment | Totals                 |
|                   | £'000   | £'000                | £'000                                | £'000                  |
| Cost              | 9,406   | 769                  | 356                                  | 11,207                 |
| Valuation in 2009 | <u>-</u>  | <u>-</u>             | <u>-</u>                             | <u>2,700</u>           |
|                   | <u><u>9,406</u></u>                               | <u><u>769</u></u>    | <u><u>356</u></u>                    | <u><u>13,907</u></u>   |

Details of the valuation of properties, which all relate to the company, are given in note 10.

## 10. TANGIBLE FIXED ASSETS

### Company

|                           | Freehold<br>investment<br>properties | Short<br>leasehold<br>properties | Plant and<br>machinery |
|---------------------------|--------------------------------------|----------------------------------|------------------------|
|                           | £'000                                | £'000                            | £'000                  |
| <b>COST OR VALUATION:</b> |                                      |                                  |                        |
| At 1 October 2008         | 2,228                                | 732                              | 7                      |
| Revaluations              | <u>72</u>                            | <u>(332)</u>                     | <u>-</u>               |
| At 30 September 2009      | <u>2,300</u>                         | <u>400</u>                       | <u>7</u>               |
| <b>DEPRECIATION:</b>      |                                      |                                  |                        |
| At 1 October 2008         | -                                    | 260                              | 6                      |
| Charge for year           | -                                    | 24                               | -                      |
| Revaluation adjustments   | <u>-</u>                             | <u>(284)</u>                     | <u>-</u>               |
| At 30 September 2009      | <u>-</u>                             | <u>-</u>                         | <u>6</u>               |
| <b>NET BOOK VALUE:</b>    |                                      |                                  |                        |
| At 30 September 2009      | <u>2,300</u>                         | <u>400</u>                       | <u>1</u>               |
| At 30 September 2008      | <u>2,228</u>                         | <u>472</u>                       | <u>1</u>               |

|                           | Motor<br>vehicles | Computers<br>and office<br>equipment | Totals       |
|---------------------------|-------------------|--------------------------------------|--------------|
|                           | £'000             | £'000                                | £'000        |
| <b>COST OR VALUATION:</b> |                   |                                      |              |
| At 1 October 2008         | 77                | 117                                  | 3,161        |
| Additions                 | 40                | -                                    | 40           |
| Revaluations              | <u>-</u>          | <u>-</u>                             | <u>(260)</u> |
| At 30 September 2009      | <u>117</u>        | <u>117</u>                           | <u>2,941</u> |
| <b>DEPRECIATION:</b>      |                   |                                      |              |
| At 1 October 2008         | 29                | 73                                   | 368          |
| Charge for year           | 34                | 19                                   | 77           |
| Revaluation adjustments   | <u>-</u>          | <u>-</u>                             | <u>(284)</u> |
| At 30 September 2009      | <u>63</u>         | <u>92</u>                            | <u>161</u>   |
| <b>NET BOOK VALUE:</b>    |                   |                                      |              |
| At 30 September 2009      | <u>54</u>         | <u>25</u>                            | <u>2,780</u> |
| At 30 September 2008      | <u>48</u>         | <u>44</u>                            | <u>2,793</u> |

Cost or valuation at 30 September 2009 is represented by:

|                   | Freehold<br>investment<br>properties | Short<br>leasehold<br>properties | Plant and<br>machinery |
|-------------------|--------------------------------------|----------------------------------|------------------------|
|                   | £'000                                | £'000                            | £'000                  |
| Cost              | -                                    | -                                | 7                      |
| Valuation in 2009 | <u>2,300</u>                         | <u>400</u>                       | <u>-</u>               |
|                   | <u><u>2,300</u></u>                  | <u><u>400</u></u>                | <u><u>7</u></u>        |

|                   | Motor<br>vehicles | Computers<br>and office<br>equipment | Totals              |
|-------------------|-------------------|--------------------------------------|---------------------|
|                   | £'000             | £'000                                | £'000               |
| Cost              | 117               | 117                                  | 241                 |
| Valuation in 2009 | <u>-</u>          | <u>-</u>                             | <u>2,700</u>        |
|                   | <u><u>117</u></u> | <u><u>117</u></u>                    | <u><u>2,941</u></u> |

If properties had not been revalued they would have been included at the following historical cost:

|                        | <u>2009</u>                          |                                  | <u>2008</u>                          |                                  |
|------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
|                        | Freehold<br>investment<br>properties | Short<br>leasehold<br>properties | Freehold<br>investment<br>properties | Short<br>leasehold<br>properties |
|                        | £'000                                | £'000                            | £'000                                | £'000                            |
| Cost                   | 1,879                                | 454                              | 1,879                                | 454                              |
| Aggregate depreciation | <u>516</u>                           | <u>272</u>                       | <u>477</u>                           | <u>254</u>                       |
|                        | <u><u>1,363</u></u>                  | <u><u>182</u></u>                | <u><u>1,402</u></u>                  | <u><u>200</u></u>                |

Depreciation has not been charged on freehold land which is included at a cost of £141,000

The Directors, having taken independent professional advice, have valued the company's freehold investment properties at £2.3 million as at 30 September 2009. The valuation was made on the basis of open market value for existing use.

The Directors, having taken independent professional advice, have valued the company's leasehold land and buildings at £400,000 as at 30 September 2009. The valuation was made on the basis of open market value for existing use.

## 11. FIXED ASSET INVESTMENTS

The company's investments at the balance sheet date comprise of shares in group undertakings and includes the following unlisted companies:

### Adroit Construction Services plc

Nature of business: Civil engineering and public works contractors.

|                  |           |
|------------------|-----------|
| Class of shares: | % holding |
| Ordinary         | 100.00    |

### Adroit Modular Buildings plc

Nature of business: Manufacture hire and sale of portable modular buildings.

|                  |           |
|------------------|-----------|
| Class of shares: | % holding |
| Ordinary         | 100.00    |

### Logimoble S.A.R.L.

Country of incorporation: France

Nature of business: Hire and sale of portable buildings.

|                  |           |
|------------------|-----------|
| Class of shares: | % holding |
| Ordinary         | 100.00    |

25

Shares held by Adroit Modular Buildings plc.

Other dormant group undertakings have been excluded from the above list.

## 12. STOCKS

| Group only       | 2009         | 2008       |
|------------------|--------------|------------|
|                  | £'000        | £'000      |
| Raw materials    | 66           | 75         |
| Work in progress | 1,027        | 139        |
| Finished goods   | 408          | -          |
|                  | <u>1,501</u> | <u>214</u> |

## 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                  | Group        |              | Company    |            |
|----------------------------------|--------------|--------------|------------|------------|
|                                  | 2009         | 2008         | 2009       | 2008       |
|                                  | £'000        | £'000        | £'000      | £'000      |
| Trade debtors                    | 2,828        | 2,279        | 70         | 105        |
| Other debtors                    | 487          | 130          | 105        | 80         |
| Prepayments and accrued income   | 143          | 119          | -          | -          |
| Taxation                         | 84           | -            | -          | -          |
| Deferred tax asset               | 126          | -            | -          | -          |
| Amounts recoverable on contracts | 1,125        | 1,525        | -          | -          |
| Amounts due from group companies | -            | -            | 682        | 122        |
|                                  | <u>4,793</u> | <u>4,053</u> | <u>857</u> | <u>307</u> |

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|   | Group        |              | Company    |            |
|---|--------------|--------------|------------|------------|
|   | 2009         | 2008         | 2009       | 2008       |
|   | £'000        | £'000        | £'000      | £'000      |
| Bank loans and overdrafts (see note 15) | 299          | -            | -          | -          |
| Trade creditors                         | 4,352        | 3,324        | 53         | 47         |
| Social security and other taxes         | 556          | 598          | 92         | 72         |
| Taxation                                | 8            | 45           | 8          | -          |
| Accruals and deferred income            | 306          | 368          | 28         | 38         |
| Amounts due to group companies          | -            | -            | 160        | 521        |
|   | <u>5,521</u> | <u>4,335</u> | <u>341</u> | <u>678</u> |

## 15. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

Amounts falling due within one year or on demand:

|                 | Group         |               | Company       |               |
|-----------------|---------------|---------------|---------------|---------------|
|                 | 2009<br>£'000 | 2008<br>£'000 | 2009<br>£'000 | 2008<br>£'000 |
| Bank overdrafts | 299           | -             | -             | -             |

## 16. SECURED DEBTS

The following secured debts are included within creditors:

|                 | Group         |               | Company       |               |
|-----------------|---------------|---------------|---------------|---------------|
|                 | 2009<br>£'000 | 2008<br>£'000 | 2009<br>£'000 | 2008<br>£'000 |
| Bank overdrafts | 299           | -             | -             | -             |

The bank overdrafts are secured by debentures and charges over the assets of the group and by cross guarantees and debentures amongst group companies.

## 17. PROVISIONS FOR LIABILITIES

|                                    | Group         |               | Company       |               |
|------------------------------------|---------------|---------------|---------------|---------------|
|                                    | 2009<br>£'000 | 2008<br>£'000 | 2009<br>£'000 | 2008<br>£'000 |
| Deferred tax                       | -             | -             | -             | -             |
| Deferred tax movement              |               |               |               |               |
| Balance at 1 October 2008          | -             | 43            | -             | 43            |
| Increase (Decrease) in provision   | -             | (43)          | -             | (43)          |
| Balance at 30 September 2009       | -             | -             | -             | -             |
| Deferred tax provision             |               |               |               |               |
| Accelerated capital allowances     | -             | 58            | -             | 58            |
| Losses available for future relief | -             | (58)          | -             | (58)          |
|                                    | -             | -             | -             | -             |

In addition to the above the group has tax losses of £401,000 available indefinitely against future taxable trading profits. A deferred tax asset of £112,000 has not been recognised because recovery is not considered reasonably certain.

There is no potential liability for deferred taxation on the property revaluations.

## 18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class:   | Nominal value: | 2009<br>£'000 | 2008<br>£'000 |
|---------|----------|----------------|---------------|---------------|
| 975,120 | Ordinary | £1             | <u>975</u>    | <u>975</u>    |

## 19. RESERVES

| The Group  | Profit and loss account<br>£'000 | Revaluation reserve<br>£'000 | Capital redemption reserve<br>£'000 | Totals<br>£'000 |
|--|----------------------------------|------------------------------|-------------------------------------|-----------------|
| At 1 October 2008  | 4,455                            | 732                          | 453                                 | 5,640           |
| Profit for the year  | 459                              | -                            | -                                   | 459             |
| Dividends  | (29)                             | -                            | -                                   | (29)            |
| Currency translation difference on foreign currency net investment | 309                              | -                            | -                                   | 309             |
| Increase in the revaluation of properties in the year              | -                                | 24                           | -                                   | 24              |
| At 30 September 2009   | <u>5,194</u>                     | <u>756</u>                   | <u>453</u>                          | <u>6,403</u>    |

| The Company   | Profit and loss account<br>£'000 | Revaluation reserve<br>£'000 | Capital redemption reserve<br>£'000 | Totals<br>£'000 |
|---|----------------------------------|------------------------------|-------------------------------------|-----------------|
| At 1 October 2008                                       | 1,088                            | 732                          | 453                                 | 2,273           |
| Profit for the year                                     | 421                              | -                            | -                                   | 421             |
| Dividends   | (29)                             | -                            | -                                   | (29)            |
| Foreign exchange differences on loan from group company | (76)                             | -                            | -                                   | (76)            |
| Increase in the revaluation of properties in the year   | -                                | 24                           | -                                   | 24              |
| At 30 September 2009                                    | <u>1,404</u>                     | <u>756</u>                   | <u>453</u>                          | <u>2,613</u>    |

At 30 September 2009 the amount included in the revaluation reserve relating to investment properties amounted to £458,000 (2008 £386,000)

## 20. PENSION COMMITMENTS

The group operates defined contributions pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the schemes and amounted to £173,000 (2008 £167,000).

## 21. OTHER FINANCIAL COMMITMENTS

Annual commitments at 30 September 2009 under operating leases are as follows:

|   | Group         |               | Company       |               |
|---|---------------|---------------|---------------|---------------|
|   | 2009<br>£'000 | 2008<br>£'000 | 2009<br>£'000 | 2008<br>£'000 |
| Land and buildings                      |               |               |               |               |
| expiring within three to five years     | -             | 8             | -             | -             |
| Expiring after five years               | <u>31</u>     | <u>31</u>     | <u>-</u>      | <u>-</u>      |
| Ground rent on short leasehold property |               |               |               |               |
| Expiring after five years               | <u>39</u>     | <u>39</u>     | <u>39</u>     | <u>39</u>     |
| Plant and machinery                     |               |               |               |               |
| Expiring within one year                | 9             | 32            | 3             | 2             |
| Expiring within one to two years        | -             | 9             | -             | 3             |
| Expiring within two to five years       | <u>-</u>      | <u>-</u>      | <u>-</u>      | <u>-</u>      |

## 22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

|  | Group         |               | Company       |               |
|--|---------------|---------------|---------------|---------------|
|  | 2009<br>£'000 | 2008<br>£'000 | 2009<br>£'000 | 2008<br>£'000 |
| Profit/(Loss) for the financial year                         | 459           | 250           | 421           | 106           |
| Dividends  | (29)          | (15)          | (29)          | (15)          |
|  | <u>430</u>    | <u>235</u>    | <u>392</u>    | <u>91</u>     |
| Other recognised gains and losses relating to the year (net) | 309           | 223           | (76)          | (46)          |
| Increase in the valuation of properties in the year          | 24            | -             | 24            | -             |
|  | <u>763</u>    | <u>458</u>    | <u>340</u>    | <u>45</u>     |
| Net addition to shareholders' funds                          | 763           | 458           | 340           | 45            |
| Opening shareholders' funds                                  | 6,615         | 6,157         | 3,248         | 3,203         |
|  | <u>7,378</u>  | <u>6,615</u>  | <u>3,588</u>  | <u>3,248</u>  |
| Closing shareholders' funds                                  | <u>7,378</u>  | <u>6,615</u>  | <u>3,588</u>  | <u>3,248</u>  |
| Equity interests   | <u>7,378</u>  | <u>6,615</u>  | <u>3,588</u>  | <u>3,248</u>  |



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