

Registered No 2849288

GLOBAL-MSI plc

Report and Financial Statements

2 May 2009

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COMPANIES HOUSE

GLOBAL-MSI plc

Registered No: 2849288

Directors

M J Bell
I L Donald
T L Donald
T Fernley
M P A O'Connell
D Pyle
M Steggles

Secretary

T Fernley

Auditors

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

Registered Office

Carr Hill
Balby
Doncaster
DN4 8DH

Directors' report

The directors present their report and financial statements of GLOBAL-MSI plc for the year ended 2 May 2009.

Principal activities

The principal activity of the group during the year was that of the design, fabrication and erection of petrol station canopies and infrastructure products.

Business review

For the year ended 2 May 2009 profit before taxation of £401,113 (2008: £1,788,126) was achieved on sales of £14,435,322 (2008: £17,045,863). Cash at bank and in hand increased by £459,927 from £1,549,300 to £2,099,227.

The principal risk and uncertainties facing the group are a reduction in the size of the market and a reduction in our share of it. Indeed, current economic conditions have impacted adversely activity levels during the year.

The group has considerable financial resources. As a consequence, the directors believe that the group is well placed to manage its business risk successfully despite the current economic outlook.

Key performance indicators

Given the straightforward nature of the business, the directors are of the opinion that analysis using other KPIs is not necessary for an understanding of the development, performance or position of the business.

Substantial shareholders

The company's shareholders are Portman International Securities Limited and MS International Plc which each own 50% of the issued ordinary share capital of the company. Each of the shareholders is entitled to appoint half of the Board. Certain directors of the company have interests in the shares of the respective joint parent undertakings. These are disclosed in those companies' accounts.

Events since the end of the year

There have been no events since the balance sheet date which materially affect the position of the group.

Results and dividends

The consolidated profit and loss account for the year is set out on page 8.

The trading profit of the group for the year after taxation was £373,443 (2008: £1,280,369).

The directors have paid an ordinary interim dividend amounting to £500,000 (2008: £1,000,000) and they do not recommend payment of a final dividend.

Directors' report (continued)

Directors

The directors of the company at 2 May 2009 were as follows:

M J Bell
I L Donald
T L Donald
T Fernley
M P A O'Connell
D Pyle
M Steggles

M G Froud resigned as a director on 23rd January 2009

Directors' interests in shares

No director has any interest in the ordinary shares of the company, nor in the shares of any of the subsidiary companies. No director has been granted the right to acquire shares in the company or any of its subsidiary companies.

Charitable donations

	2009	2008
	£	£
During the year the group made the following payments	780	2,000

Credit payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts, and
- pay in accordance with the company's contractual and other legal obligations.

On average, trade creditors at the year end represented 38 days (2008: 66 days) purchases.

Statement as to disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Directors' qualifying third party indemnity provisions

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Directors' report (continued)

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the board



T Fernley
Secretary

29th July 2009

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and the company and to 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report

to the members of GLOBAL-MSI plc

We have audited the financial statements of GLOBAL-MSI plc for the year ended 2 May 2009 which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes 1 to 26. 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 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 Directors' Responsibilities Statement set out on page 5, 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 2 May 2009 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

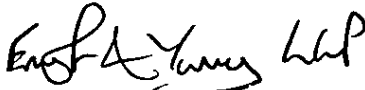
Independent auditors' report

to the members of GLOBAL-MSI plc (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Stuart Watson (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Leeds

31 May 2009

Consolidated profit and loss account

for the year ended 2 May 2009

	Notes	2009 £	2008 £
Turnover	2	14,453,322	17,045,863
Cost of sales		(11,169,343)	(12,118,123)
Gross profit		3,283,979	4,927,740
Other operating expenses (net)	3	(2,916,794)	(3,199,847)
Operating profit		367,185	1,727,893
Interest receivable and similar income	4	40,794	60,304
		407,979	1,788,197
Interest payable and similar charges	5	(6,866)	(71)
Profit on ordinary activities before taxation	6	401,113	1,788,126
Taxation	9	(27,670)	(507,757)
Profit on ordinary activities after taxation	20	373,443	1,280,369

The operating profit for the year arises from the group's continuing operations.

Consolidated statement of total recognised gains and losses

for the year ended 2 May 2009

	<i>Notes</i>	<i>2009</i> £	<i>2008</i> £
Profit for the financial year		373,443	1,280,369
Currency translation differences on foreign currency net investments	21	(91,923)	108,545
Total gains and losses recognised since last financial statements		<u>281,520</u>	<u>1,388,914</u>

Consolidated and company balance sheet

at 2 May 2009

		2009	Group 2008	2009	Company 2008
	Notes	£	£	£	£
Fixed assets					
Intangible fixed assets	12	-	-	-	-
Tangible fixed assets	13	898,425	1,075,552	806,002	903,385
Investments	14	-	-	31,726	31,726
		<u>898,425</u>	<u>1,075,552</u>	<u>837,728</u>	<u>935,111</u>
Current assets					
Stocks	15	221,881	857,828	165,487	709,949
Debtors	16	1,765,085	3,590,672	1,585,239	3,312,566
Cash at bank and in hand		2,009,227	1,549,300	846,786	611,454
		<u>3,996,193</u>	<u>5,997,800</u>	<u>2,597,512</u>	<u>4,633,969</u>
Creditors					
Amounts falling due within one year	17	(1,810,303)	(3,734,189)	(1,600,114)	(2,948,546)
Net current assets		<u>2,185,890</u>	<u>2,263,611</u>	<u>997,398</u>	<u>1,685,423</u>
Total assets less current liabilities		<u>3,084,315</u>	<u>3,339,163</u>	<u>1,835,126</u>	<u>2,620,534</u>
Provision for liabilities and charges	18	(9,656)	(46,024)	(9,656)	(46,024)
Net assets		<u>3,074,659</u>	<u>3,293,139</u>	<u>1,825,470</u>	<u>2,574,510</u>
Capital and reserves					
Called up share capital	19	100,000	100,000	100,000	100,000
Profit and loss account	20	2,974,659	3,193,139	1,725,470	2,474,510
Shareholders' funds	21	<u>3,074,659</u>	<u>3,293,139</u>	<u>1,825,470</u>	<u>2,574,510</u>

M J Bell

M J Bell
Director

29 JULY 2009

I L Donald

I L Donald
Director

JULY 29th 2009

Consolidated cash flow statement

for the year ended 2 May 2009

	Notes	2009 £	2008 £
Net cash inflow from operating activities	22	1,488,843	2,055,993
Returns on investments and servicing of finance			
Interest received		40,794	60,304
Interest paid		(6,866)	(71)
Net cash inflow from returns on investment and servicing of finance		33,928	60,233
Taxation		(385,550)	(609,163)
Capital expenditure			
Payments to acquire tangible fixed assets		(199,267)	(245,058)
Receipts from sales of tangible fixed assets		21,973	5,500
Net cash outflow from capital expenditure		(177,294)	(239,558)
Equity dividends paid		(500,000)	(1,000,000)
Increase in cash in the year		459,927	267,505

Notes to the financial statements

at 2 May 2009

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Basis of consolidation

The consolidated financial statements incorporate the results of the parent company and all of its subsidiary undertakings as at 2 May 2009 using acquisition accounting. Where the acquisition method is used, the results of subsidiary undertakings are included from the date of acquisition. Intra group turnover and results are eliminated on consolidation and all turnover and results relate to external transactions only.

Goodwill

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life of five years. Impairment tests on the carrying value of the goodwill are undertaken

- at the end of the first full financial year following acquisition, and
- in the other periods if events or charges in circumstances indicate that the carrying value may not be recoverable.

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales and, in the case of long term contracts, credit is taken appropriate to the stage of completion when the outcome of the contract can be assessed with reasonable certainty.

Depreciation

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Leasehold improvements	- 5 years straight line
Plant and machinery	- 5-8 years straight line
Computer equipment	- 3 years straight line
Fixtures, fittings and equipment	- 5 years straight line
Motor vehicles	- 3-5 years straight line

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Stock

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost is based on the cost of purchases on a first in, first out basis and in the case of work in progress includes an appropriate proportion of production overheads. Net realisable value is based on estimated selling price less further costs to completion and disposal.

Notes to the financial statements

at 2 May 2009

1. Accounting policies (continued)

Long term contracts

Long term contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as a contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract. The amount by which turnover exceeds payments on account is classified as 'amounts recoverable on contracts' and included in debtors, to the extent that payments on account exceed relevant turnover, the excess is included as a creditor. The amount of long term contracts, at cost net of amounts transferred to cost of sales, less provision for foreseeable losses and payments on account not matched with turnover, is included within stocks.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Leased assets

The annual rentals on operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

Pension contributions

A defined contribution pension scheme is available to all employees. The pension costs charged in the financial statements represent the contributions payable by the group during the year.

Foreign currency translation

Foreign currency transactions of individual companies are translated at the rates ruling when occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

The results of overseas operations are translated at the average rates of exchange during the year and their balance sheets translated into sterling at the rate of exchange ruling on the balance sheet date. Exchange differences which arise from translation of the opening net assets and results of foreign subsidiary undertakings and from translating the profit and loss account at an average rate are taken to reserves.

All other timing differences are taken to the profit and loss account with the exception of differences on foreign currency borrowings which, to the extent that they are used to finance or provide a hedge against foreign equity investments, are taken directly to reserves to the extent of the exchange difference arising on the net investment in these enterprises. Tax charges or credits that are directly and solely attributable to such exchange differences are also taken to reserves.

Foreign currency contracts

Gains arising on speculative forward contracts are not recognised in the profit and loss until the exercise date, with foreseen currency losses being recognised immediately.

2. Turnover and profit on ordinary activities before taxation

The group's turnover and profit before taxation were all derived from its principal activity.

No geographical analysis of turnover, operating profit and net assets has been provided because in the opinion of the directors such disclosure would be seriously prejudicial to the interests of the group.

Notes to the financial statements

at 2 May 2009

3. Other operating expenses (net)

	2009	2008
	£	£
Administrative expenses	2,731,810	2,583,503
Distribution costs	472,811	649,958
Net profit on foreign exchange transactions	(287,827)	(33,614)
	<u>2,916,794</u>	<u>3,199,847</u>

4. Interest receivable and similar income

	2009	2008
	£	£
Bank interest	40,064	60,304
Other interest	730	-
	<u>40,794</u>	<u>60,304</u>

5. Interest payable and similar charges

	2009	2008
	£	£
On bank loans and overdrafts	10	71
On overdue tax	6,856	-
	<u>6,866</u>	<u>71</u>

6. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting):

	2009	2008
	£	£
Depreciation of tangible assets		
Charge for the year - owned assets	361,980	376,265
- profit on disposals	(21,973)	(5,500)
Operating lease results - plant and machinery	4,550	3,931
Net gain on foreign exchange transactions	(287,827)	(33,614)
Auditors' remuneration - audit services - statutory audit	12,500	18,500
- tax services - compliance services	2,500	4,900
Redundancy and termination costs	746,593	23,567
	<u>746,593</u>	<u>23,567</u>

The audit fee for the company amounted to £12,500 (2008: £15,500).

Notes to the financial statements

at 2 May 2009

7. Employees

The average monthly number of persons (including directors) employed by the group during the year was:

	2009	2008
	No.	No.
Production	77	83
Technical	37	39
Distribution and selling	3	3
Administration	8	9
	<u>125</u>	<u>134</u>

Staff costs for the above persons:

	2009	2008
	£	£
Wages and salaries	3,513,708	3,836,911
Social security costs	383,288	409,912
Other pension costs	390,303	101,821
	<u>4,287,299</u>	<u>4,348,644</u>

8. Directors' remuneration

	2009	2008
	£	£
In respect of the directors:		
Emoluments for qualifying services	243,728	284,896
Company pension contributions to the group personal schemes	25,352	65,534
Compensation for loss of office	494,229	-
	<u>763,309</u>	<u>350,430</u>

Emoluments disclosed above include the following amounts paid to the highest paid director:

	2009	2008
	£	£
Emoluments for qualifying services	72,901	100,693
Company pension contributions to group personal schemes	15,957	55,111
Compensation for loss of office	494,229	-
	<u></u>	<u></u>

There were 3 directors (2008: 3) in the company's group person pension scheme during the year.

Notes to the financial statements

at 2 May 2009

9. Taxation

(a) Tax on profit on ordinary activities:

	2009 £	2008 £
<i>Current tax:</i>		
UK corporation tax on profits of the year	(93,066)	400,929
Adjustment in respect of previous periods	66,810	-
Foreign corporation tax	90,294	106,828
Total current tax	64,038	507,757
<i>Deferred tax:</i>		
Deferred taxation on profits of the year	(28,771)	-
Adjustment in respect of previous periods	(7,597)	-
Total deferred tax	(36,368)	-
Tax on ordinary activities	27,670	507,757

(b) Factors affecting the tax charge for the year

	2009 £	2008 £
Profit on ordinary activities before taxation	401,113	1,788,126
Profit on ordinary activities before taxation multiplied by the following rate of UK corporation tax of 28% (2008: 30%)	112,312	536,438
<i>Effects of:</i>		
Non deductible expenses	11,047	16,831
Capital allowances less than depreciation	7,778	15,889
Other short term timing differences	20,993	(895)
Foreign tax adjustment	(187,204)	(22,595)
Adjustment for prior years	66,810	-
Other tax adjustments	32,302	(37,911)
	(48,274)	(28,681)
Current tax charge	64,038	507,757

Notes to the financial statements

at 2 May 2009

10. Profit for the financial year

As permitted by Section 408 of the Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The parent's loss for the financial year is £249,040 (2008: profit of £1,292,641).

11. Dividends

	2009 £	2008 £
Ordinary:		
Interim paid - £5.00 (2008: £10.00) per share	500,000	1,000,000

12. Intangible fixed assets

Group

	Other intangible assets £	Goodwill £	Total £
<i>Cost:</i>			
At 3 May 2008	10,000	373,411	383,411
Additions	-	-	-
Disposals	-	-	-
At 2 May 2009	10,000	373,411	383,411
<i>Amortisation:</i>			
At 3 May 2008	10,000	373,411	383,411
Provided during year	-	-	-
Disposals	-	-	-
At 2 May 2009	10,000	373,411	383,411
<i>Net book value:</i>			
At 2 May 2009	-	-	-
At 3 May 2008	-	-	-

Notes to the financial statements

at 2 May 2009

12. Intangible fixed assets (continued)

Company

	<i>Other intangible assets</i>	<i>Goodwill</i>	<i>Total</i>
	£	£	£
<i>Cost:</i>			
At 3 May 2008	10,000	372,411	382,411
Additions	-	-	-
Disposals	-	-	-
At 2 May 2009	10,000	372,411	382,411
<i>Amortisation:</i>			
At 3 May 2008	10,000	372,411	382,411
Provided during year	-	-	-
Disposals	-	-	-
At 2 May 2009	10,000	372,411	382,411
<i>Net book value:</i>			
At 2 May 2009	-	-	-
At 3 May 2008	-	-	-

13. Tangible fixed assets

Group

	<i>Leasehold improvements</i>	<i>Plant and machinery</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£	£
<i>Cost:</i>				
At 3 May 2008	252,815	1,682,516	747,478	2,682,809
Additions	118,750	20,509	60,008	199,267
Exchange rate movements	-	(20,801)	(24,569)	(45,370)
Disposals	-	(14,635)	(138,737)	(153,372)
At 2 May 2009	371,565	1,667,589	644,180	2,683,334
<i>Depreciation:</i>				
At 3 May 2008	135,383	989,327	482,547	1,607,257
Charge for the year	37,330	175,120	149,530	361,980
Exchange rate movements	-	(18,025)	(12,931)	(30,956)
Disposals	-	(14,635)	(138,737)	(153,372)
At 2 May 2009	172,713	1,131,787	480,409	1,784,909
<i>Net book value:</i>				
At 2 May 2009	198,852	535,802	163,771	898,425
At 3 May 2008	117,432	693,189	264,931	1,075,552

Notes to the financial statements

at 2 May 2009

13. Tangible fixed assets (continued)

<i>Company</i>	<i>Leasehold improvements</i>	<i>Plant and machinery</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£	£
<i>Cost:</i>				
At 3 May 2008	252,815	1,484,368	492,528	2,229,711
Additions	118,750	15,260	60,008	194,018
Disposals	-	(14,592)	(119,298)	(133,890)
At 2 May 2009	371,565	1,485,036	433,238	2,289,839
<i>Depreciation:</i>				
At 3 May 2008	135,383	829,526	361,417	1,326,326
Charge for the year	37,330	149,051	105,020	291,401
Disposals	-	(14,592)	(119,298)	(133,890)
At 2 May 2009	172,713	963,985	347,139	1,483,837
<i>Net book value:</i>				
At 2 May 2009	198,852	521,051	86,099	806,002
At 3 May 2008	117,432	654,842	131,111	903,385

14. Fixed asset investments

<i>Company</i>	<i>Shares in group undertakings</i>
	£
<i>Cost:</i>	
At 3 May 2008 and 2 May 2009	31,726

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

The company holds more than 20% of the share capital of the following companies:

<i>Company</i>	<i>Country of Registration or incorporation</i>	<i>Shares held</i>	<i>Nature of business</i>
		<i>Class</i> <i>%</i>	
Subsidiary undertakings			
Conder Limited	England	Ordinary 100	Dormant
GLOBAL MSI Espana sa	Spain	Ordinary 100	Dormant
GLOBAL MSI (Overseas) Limited	England	Ordinary 100	Intermediate holding company
GLOBAL MSI Sp zoo	Poland	Ordinary 100	Installation of canopies
		(Indirect)	

For all undertakings listed above, the country of operation is the same as its country of incorporation or registration.

Notes to the financial statements

at 2 May 2009

15. Stocks

	<i>Group</i>		<i>Company</i>	
	2009	2008	2009	2008
	£	£	£	£
Raw materials and consumables	133,121	534,999	93,616	427,188
Long term contracts				
At net cost less foreseeable losses	391,828	1,040,521	314,589	432,305
Payments received on account	(303,068)	(717,692)	(242,718)	(149,544)
	<u>88,760</u>	<u>322,829</u>	<u>71,871</u>	<u>282,761</u>
	<u>221,881</u>	<u>857,828</u>	<u>165,487</u>	<u>709,949</u>

16. Debtors: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	1,513,540	3,325,846	1,335,921	2,918,883
Amounts owed by group undertakings	-	-	33,965	161,811
Amounts owed by associated undertakings	12,478	8,405	12,478	8,405
Other debtors	10,594	13,886	10,390	13,658
Foreign corporation tax	15,741	-	-	-
UK corporation tax	93,990	-	93,990	-
Prepayments and accrued income	89,458	76,869	69,211	56,114
Amounts recoverable on contracts	29,284	165,666	29,284	153,695
	<u>1,765,085</u>	<u>3,590,672</u>	<u>1,585,239</u>	<u>3,312,566</u>

17. Creditors: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	2009	2008	2009	2008
	£	£	£	£
Prepayments received on account	325,682	751,331	247,325	371,064
Trade creditors	881,734	1,893,333	762,050	1,424,462
Amounts owed to group undertakings	-	-	38,188	74,178
Amounts owed to associated undertakings	531	14,984	531	14,984
UK corporation tax	-	211,779	-	211,716
Other creditors	66,743	68,652	47,029	53,256
Other tax and social security	179,657	271,805	151,703	306,415
Accruals and deferred income	345,894	510,839	343,226	481,005
Pension contributions	10,062	11,466	10,062	11,466
	<u>1,810,303</u>	<u>3,734,189</u>	<u>1,600,114</u>	<u>2,948,546</u>

Notes to the financial statements

at 2 May 2009

18. Provisions for liabilities and charges

Group and company

	<i>Deferred taxation</i>	<i>Total</i>
	£	£
At 3 May 2008	46,024	46,024
Charged to profit and loss account	(36,368)	(36,368)
Balance at 2 May 2009	<u>9,656</u>	<u>9,656</u>

Provision for deferred tax has been made as follows:

	<i>2009</i>	<i>2008</i>
	£	£
Excess of tax allowances	33,860	51,236
Other timing differences	(24,204)	(5,212)
	<u>9,656</u>	<u>46,024</u>

19. Share capital

	<i>2009</i>	<i>2008</i>
	£000	£000
<i>Authorised:</i>		
50,000 Ordinary 'A' shares of £1 each	50,000	50,000
50,000 Ordinary 'B' shares of £1 each	50,000	50,000
	<u>100,000</u>	<u>100,000</u>
<i>Allotted, issued and fully paid:</i>		
50,000 Ordinary 'A' shares of £1 each	50,000	50,000
50,000 Ordinary 'B' shares of £1 each	50,000	50,000
	<u>100,000</u>	<u>100,000</u>

Notes to the financial statements

at 2 May 2009

20. Statement of movement on reserves

Group

	<i>Profit and loss account £</i>
At 3 May 2008	3,193,139
Profit for the financial year	373,443
Dividends (see note 11)	(500,000)
Foreign currency translation differences	(91,923)
At 2 May 2009	<u>2,974,659</u>

Company

	<i>Profit and loss account £</i>
At 3 May 2008	2,474,510
Loss for the financial year	(504,306)
Dividends received	255,266
Dividends paid (see note 11)	(500,000)
At 2 May 2009	<u>1,725,470</u>

21. Reconciliation of movements in shareholders' funds

Group

	<i>2009 £</i>	<i>2008 £</i>
Profit for the financial year	373,443	1,280,369
Dividends (see note 11)	(500,000)	(1,000,000)
	<u>(126,557)</u>	<u>280,369</u>
Other recognised gains and losses	(91,923)	108,545
Net (reduction)/addition to shareholders' funds	<u>(218,480)</u>	<u>388,914</u>
Opening shareholders' funds	3,293,139	2,904,225
Closing shareholders' funds	<u>3,074,659</u>	<u>3,293,139</u>

Notes to the financial statements

at 2 May 2009

21. Reconciliation of movements in shareholders' funds (continued)

Company

	2009 £	2008 £
(Loss)/profit for the financial year	(249,040)	1,292,641
Dividends (see note 11)	(500,000)	(1,000,000)
Net (reduction)/addition to shareholders' funds	(749,040)	292,641
Opening shareholders' funds	2,574,510	2,281,869
Closing shareholders' funds	1,825,470	2,574,510

22. Cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities

	2009 £	2008 £
Operating profit	367,185	1,727,893
Depreciation of tangible assets	361,980	376,265
Profit on disposal of fixed assets	(21,973)	(5,500)
Decrease/(Increase) in stocks	635,947	(41,100)
Decrease/(Increase) in debtors	1,935,318	(243,415)
(Decrease)/Increase in creditors within one year	(1,712,107)	171,135
Net effect of foreign exchange differences	(77,507)	70,715
Net cash inflow from operating activities	1,488,843	2,055,993

(b) Analysis of net debt

	3 May 2008 £	Cash flow £	2 May 2009 £
Net cash:			
Cash at bank and in hand	1,549,300	459,927	2,009,227

(c) Reconciliation of net cash flow to movement in net debt

	2009 £	2008 £
Increase in cash in the year	459,927	267,505
Movement in net funds in the year	459,927	267,505
Opening net funds	1,549,300	1,281,795
Closing net funds	2,009,227	1,549,300

Notes to the financial statements

at 2 May 2009

23. Capital commitments

	2009	Group 2008	2009	Company 2008
	£	£	£	£
Capital expenditure contracted for but not provided in the financial statements	-	28,517	-	28,517

24. Commitments under operating leases

At 2 May 2009 the group had annual commitments under non-cancellable operating leases as follows:

	2009	2008
	£	£
Plant and machinery:		
Expiring in the first year	-	-
Expiring in the second to fifth year	4,550	3,931
	<u>4,550</u>	<u>3,931</u>

25. Pension commitments

A defined contribution group personal pension scheme is operated on behalf of employees of the company. The assets are held separately from those of the company in independently administered funds. The pension charge represents contributions payable by the group to the funds and amounted to £390,303 (2008: £101,821). There were outstanding contributions at the year end amounting to £10,062 (2008: £11,466).

26. Related party transactions

Group

The company's shareholders are Portman International Securities Limited and MS International Plc which each own 50% of the ordinary share capital of the company.

The following transactions took place during the year between the group and companies in which these shareholders had material interests:

Portman International Securities Limited

Sales - £5,717 (2008: £10,392)

Purchase of goods and services - £578,800 (2008: £806,152)

MS International Plc

Sales - £201,419 (2008: £577,792)

Purchase of goods and services - £872,510 (2008: £1,116,973)

The following balances relating to the above transactions are included in the consolidated balance sheet at 2 May 2009:

Amounts due from associated undertakings £12,478 (2008: £8,405)

Amounts owed to associated undertakings £531 (2008: £14,984).